



METRO

Agenda

2000 S.W. First Avenue
Portland, OR 97201-5398
503/221-1646

Meeting: Special Joint Meeting of the Solid Waste Policy and Technical Committees
Day: Thursday,
Date: January 14, 1992
Time: 9:00 A.M.
Place: Metro Council Chambers

1. Updates Martin
2. New Solid Waste Advisory Committee Wyers/Petersen
3. Designated Facilities Metro Staff

Adjourn

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METRO

2000 S.W. First Avenue
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503/221-1646

Memorandum

DATE: January 7, 1993

TO: Solid Waste Policy and Technical Committees

FROM: Terry Petersen, Planning and Technical Services Manager

RE: January 14 Joint Meeting

A special joint meeting of the Solid Waste Policy and Technical Committees has been scheduled for Thursday, January 14, at 9:00 A.M. to address the following two items:

New Solid Waste Advisory Committee. A task force of members of the Policy and Technical Committees met on January 6 to develop a proposal to reorganize the two existing solid waste committees. The recommendation is to combine the two committees into a single Solid Waste Advisory Committee. The proposed elements that would be incorporated into the by-laws of the new committee are attached for your review.

Designated Facilities. The Technical Committee asked at their last meeting to review Metro staff work concerning the application of landfills to obtain "Designated Facility" status. A draft of most of this work should be completed by January 14. A copy will be sent to you as soon as possible.

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EXHIBIT A

ELEMENTS TO BE INCLUDED IN BY-LAWS OF THE METRO SOLID WASTE ADVISORY COMMITTEE

Committee Responsibilities

1. Evaluate policy options and present policy recommendations to the Metro Council and Executive Officer regarding regional solid waste management and planning.
2. Advise Metro on the implementation of existing solid waste plans and policies.
3. Provide recommendations concerning the solid waste planning process to ensure adequate consideration of regional values such as land use, economic development, and other social, economic and environmental factors.
4. Provide recommendations on the compliance of regional solid waste management and planning with applicable state requirements.
5. Provide recommendations on alternative solid waste policies and practices developed by subcommittees of the Solid Waste Advisory Committee.
6. Recommend needs and opportunities for involving citizens in solid waste issues.
7. Recommend measures to build regional consensus for the management of solid waste.

Membership

Voting members:

Metro Council (1)
Clackamas County (1)
Multnomah County (1)
Washington County (1)
Clackamas County Cities (1)
Multnomah County Cities (1)
Washington County Cities (1)
City of Portland (1)
Solid Waste Hauling Industry (4)
Solid Waste Recycling Industry (1)
Solid Waste Disposal Facilities (3)
Citizens (3)

Non-Voting Associate Members:

Department of Environmental Quality (1)
Port of Portland (1)(?)
Clark County (1)
Marion County (1)
Yamhill County (1)

Additional associate members without a vote may serve on the Committee at the pleasure of the Committee.

Appointment of Members

1. *Representatives from the Counties* shall be appointed by the Chairperson of the County Board.
2. The representative from the City of Portland shall be appointed by the Mayor of Portland.
3. Representatives of Cities within a County shall be appointed by consensus of Mayors of those Cities.
4. Citizen representatives, one for each County, shall be nominated by the participating jurisdiction and appointed by the Metro Executive Officer.
5. Industry candidates shall be solicited from the industry and appointed by the Metro Executive Officer. Solid waste hauling industry representatives shall include one from each of the three Counties.

Officers

1. The permanent Chairperson of the Committee shall be the Metro Council Solid Waste Committee Chairperson.
2. In the absence of the Chairperson, the Committee shall be chaired by the Metro Council Solid Waste Committee Vice-Chairperson.

Subcommittees

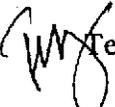
Working groups may be established by the Chairperson as necessary upon request of the Committee. Membership composition shall be determined according to mission and may include individuals who are not members of the Committee. All such sub-committees shall report to the Committee.



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FROM:  Terry Petersen, Planning and Technical Services Manager
RE: January 14 Joint Meeting

Enclosed are two items for the special joint meeting of the Solid Waste Policy and Technical Committees for Thursday, January 14, at 9:00 A.M.

1. Draft Staff Report addressing four of the nine criteria being used by Metro to evaluate designated facility status for landfills that have applied to receive waste from the region.
2. Recommend approval of Metro resolution proposing policies on plastics recycling in the Metro region. This item was not on the original agenda that was mailed to you, but it will be discussed as part of the Metro staff updates.

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STAFF REPORT

Joint Meeting of the Solid Waste Policy and Technical Committees

NEW FACILITIES REQUESTING DESIGNATED FACILITY STATUS

Date: January 8, 1993

Background

Metro's Flow Control Ordinance specifies that landfills desiring authority to receive waste from the region must be issued "Designated Facility" status. Two facilities are being considered as new designated facilities:

- Roosevelt Regional Landfill (Klickitat County, Washington)
- Finley Buttes Landfill (Morrow County, Oregon)

Agreements with three landfills that have previously been authorized to receive waste are being renegotiated as designated facilities. These are:

- Hillsboro Landfill (Washington County)
- Columbia Ridge Landfill (Gilliam County)
- Lakeside Landfill (Washington County)

In addition, an agreement with Riverbend Landfill (Yamhill County) is being worked on for the continued transfer of waste from the Forest Grove Transfer Station.

The Metro Council has recently established nine criteria that will be used to evaluate whether landfills should receive designated facility status. These are:

1. The degree to which prior users of the facility and waste types accepted at the facility are known and the degree to which such wastes pose a future risk of environmental contamination.
2. The record of regulatory compliance of the facility's owner and operator with federal, state and local requirements.
3. The record of the facility regarding compliance with Metro ordinances and agreements or assistance to Metro in Metro ordinance enforcement.
4. The adequacy of operational practices and management controls at the facility.

5. The expected impact on the region's recycling and waste reduction efforts
6. The expected impact on Metro's revenue.
7. The consistency of the designation with Metro's existing contractual arrangements.
8. The need for additional disposal capacity and the effect on existing designated facilities.
9. Other benefits or detriments accruing to residents of the region from Council action in designating a facility.

This staff report examines the effects of adding the two new facilities (Roosevelt and Finley Buttes Landfills) to the existing system of solid waste facilities in terms of Criteria #5, 6, 8, and 9. Metro staff are continuing to gather information on landfill permits and regulatory compliance needed to evaluate the other criteria.

Summary staff responses to the four criteria are presented below. Input from the Policy and Technical Committees will be used to draft a final staff report to be presented to the Metro Council.

The technical methods used in the evaluation are available upon request.

The expected impact on the region's recycling and waste reduction efforts

Staff has concluded that if, through a designated facility contract agreement, certain restrictions are placed on the types of waste transported to the new designated facilities, the potential impacts on the region's recycling will be minimal.

The following table summarizes expected changes in tons currently recovered at existing facilities (including Petroleum Contaminated Soils (PCS) facilities) if: (1) no restrictions are placed on construction and demolition debris and post-industrial waste allowed to go to the new facilities, and (2) construction and demolition debris is restricted to residue from recovery facilities and industrial waste is restricted to loads without significant quantities of recoverable material (as described below in the proposed definitions of acceptable waste).

	Current Recovery (tons/year)	Change In Current Recovery	
		No Restrictions	Restrictions
Metro Facilities	10,900	(2,900)	0
Non-Metro Facilities	2,200	(600)	0
Existing PCS Processors	68,000	(27,200)	(27,200)
Total	81,100	(30,700)	(27,200)

The restrictions on acceptable waste and reporting requirements described below are intended to eliminate negative impact on waste reduction. However, not every load will be inspected by Metro to determine waste composition. Therefore, even with these procedures in place, some waste with high recovery potential may eventually be transported to the designated facilities. The tons listed in the above table with and without restrictions should be viewed as upper and lower bounds on the potential negative impacts of new designated facilities on the region's waste recovery efforts.

The upper bound would occur if restrictions on acceptable waste were totally ineffective and the new designated facilities were an option for all construction and demolition debris and industrial waste regardless of recovery potential. The lower bound of no impact (excluding PCS) would occur if restrictions were exactly enforced and diversion from existing recovery facilities was not an option open to generators and haulers of mixed waste currently going to recovery facilities.

Currently, about 600,000 tons of material (excluding PCS) are recycled each year by the Metro region and 1,000,000 tons are disposed. A maximum loss of 3,500 tons, therefore, would represent a decline of 0.2% in the regional recycling rate of 38%.

Staff proposals concerning waste that may be accepted at new designated facilities are:

1. Residue from the processing of construction, demolition, and land clearing waste received from a Metro franchised facility.
2. Non-hazardous industrial dust.
3. Asbestos (special requirements for packaging and unloading would apply).

4. Contaminated soil and other non-putrescible debris from cleanup of petroleum or other non-hazardous chemical spills.
5. Special waste as defined in section 5.02.01(s) of the Metro Code.
6. Outdated or defective commercial or industrial products not suited for market conditions or consumer use.

To ensure that acceptable waste standards are enforced, designated facility agreements should contain adequate requirements for record keeping, auditing, and reports. Proposed wording for such requirements is as follows:

1. Company shall maintain complete and accurate records regarding all solid waste transported, treated, disposed of, or otherwise processed pursuant to this Agreement, and shall make such records available to, or send copies to, the Metro Solid Waste Department or its duly designated agents for inspection, auditing and copying upon not less than seven days written notice from Metro. Pre-numbered tickets shall be used for all transactions, in numerical sequence, and voided or canceled tickets shall be retained.
2. At Metro's option, Company shall have an independent audit conducted by a firm acceptable to Metro, no more than once each year, at Company's expense. The audit report provided to Metro following an independent audit shall address matters reasonably related to this Agreement, as specified in an audit program approved by Metro and provided to Company prior to the audit.
3. Company shall report in writing to the Metro Solid Waste Department no later than the 15th day of each month, for the duration of this Agreement, the number of tons of solid waste transported, disposed of or otherwise processed pursuant to this Agreement during the preceding month. The reports shall provide sufficient detail to adequately identify the waste profile of the various materials transported, treated, and disposed of, and include the names of persons or entities generating and delivering waste to the Facility, and the types and quantities of waste generated or delivered by such persons or entities. To the extent such information is available in electronic form, Company shall make such information available to Metro on computer disk. Metro shall maintain the confidentiality of all records submitted by Company to the extent public disclosure is not required by ORS ch 192, and otherwise in conformance with section 12 of this Agreement.
4. Company shall complete a cumulative status review of the waste types and profiles covering each six months of operations under this Agreement and shall provide such report to Metro within 45 days of the expiration of the six-month period covered by the report. The first report shall cover the period of operations from the date of execution of this Agreement through December 31, 1993.

5. Company shall provide to Metro copies of all permits covering the Facility or operations at the Facility. Copies of revisions to existing permits and newly issued permits shall be provided to Metro within seven business days of receipt. Company shall also provide, within seven business days, a copy of any official enforcement action regarding the Facility or its operation, including but not limited to, a notice of violation or non-compliance with a statute, regulation, or permit condition.

While most of the "waste reduction" impact is likely to be petroleum-contaminated soils (PCS), it should be noted that PCS is not considered as a "recyclable" in regional or state recycling and waste reduction goals. Also, Metro does not currently place any restrictions on the ability of Hillsboro Landfill or other existing designated facilities to compete with PCS processors by offering lower disposal fees if they choose to do so.

Higher disposal costs encourage investment in new recycling technology. If Metro policies concerning designated facilities result in lower disposal costs, the incentive to develop innovative recycling options for waste listed as "acceptable" in the agreements would be reduced. However, total disposal costs (including transport and user fees) at new designated facilities are not expected to be significantly lower than existing in-region disposal options at other designated facilities. Therefore, the risk of future "lost opportunities" concerning new recycling would appear to be minimal.

The expected impact on Metro's revenue

Given the current Metro rate structure, Metro staff estimates the *net* impact of these tonnage shifts would be approximately revenue neutral. There would be a slight increase in revenue collected through the Tier 1 User Fee at non-Metro facilities and a slight decrease in revenue collected at Metro facilities.

One way to evaluate revenue impacts is to compare what the current fees would be with and without the new designated facilities. Such a comparison is estimated as follows:

	Current Rates	With New Facilities
User Fee (Tier 1)	\$19.00	\$18.53
Total Metro Fee	\$75.00	\$75.06
Average Disposal Cost for "acceptable" waste	\$64.28	\$60.72

As described below, more tons would be expected to pay the Tier 1 User Fee (non-Metro facilities) while less tons would pay the full \$75.00 at Metro facilities. Given the current

spending levels and rate structure, this would result in a decrease in the Tier 1 fee and a negligible increase (\$0.06) in the fee charged at Metro facilities.

As suggested above, adding the new facilities to the existing system is expected to have a combination of neutral, positive, and negative impacts on Metro's revenue. The expected revenue impacts can be summarized as follows:

Tonnage shifts that will have neutral revenue impacts. Acceptable waste could shift from existing non-Metro facilities that pay the Metro Tier 1 User Fee (currently \$19.00) to designated facilities that would also pay the same Metro fee. This represents a neutral impact on Metro revenues. Among existing designated facilities, Hillsboro Landfill will likely experience the greatest diversion of waste. Large industrial users of Hillsboro Landfill may be able to negotiate lower disposal costs with new designated facilities. Metro staff estimate that 24,000 tons of special waste and 7,000 tons of PCS could shift from Hillsboro Landfill to the designated facilities. Lakeside Landfill is receiving much smaller quantities of waste that would be acceptable at other designated facilities.

Tonnage shifts that will have negative revenue impacts. Metro's current rate structure is not "revenue neutral". Waste that shifts from Metro facilities that pay all Metro fees to non-Metro facilities that pay only the Metro Tier 1 User Fee represent a loss in revenue that is not entirely balanced by avoided costs. Given the proposed restrictions on the types of waste the facilities will be allowed to accept, Metro staff estimate that 26,000 tons of waste currently being delivered to Metro transfer stations could eventually shift to designated facilities.

Tonnage shifts that will have positive revenue impacts. By offering lower disposal costs or other desirable services, designated facilities could potentially capture waste from four sources that are not currently paying Metro fees: (1) illegal dumping, (2) illegal disposal, (3) industrial "mono-fills", and (4) PCS diverted from existing processing facilities. It is difficult to estimate what the total available tonnage might be from these sources. Because staff wanted to estimate the "worst case" revenue impacts, the analysis described in this report did not assume that any new revenue would be obtained from the first three sources.

The need for additional disposal capacity and the effect on existing designated facilities

Most of the proposed acceptable waste is currently either being disposed at Hillsboro Landfill, Lakeside Landfill, processed by franchised PCS facilities, or illegally transported outside Metro's system. Hillsboro Landfill and PCS facilities have the capacity to handle the current quantities of special waste being generated in the region. Hillsboro Landfill has been issued a DEQ solid waste disposal permit that expires October 31, 1994. The forecasts being used by Metro assume that the Hillsboro Landfill will continue operation past this date. However, if Hillsboro Landfill was required to close or significantly reduce tonnages, it would be necessary to develop alternative disposal options. Other designated facilities included in the proposed agreements would help ensure that the region has adequate disposal capacity for the types of special waste proposed above.

The expected effects of the proposed agreements in terms of tonnages are summarized below:

	Current Quantity of Acceptable Waste (tons/year)	Expected Change Due To New Designated Facilities (tons/year)
Forest Grove Transfer Station	7,400	(2,000)
Hillsboro Landfill (excludes Tualatin Valley Recovery Co.)	121,000	(28,400)
Lakeside Reclamation Landfill (Grabhorn)	51,100	(5,400)
East County Recycling	4,800	(1,300)
Wastech	700	(100)
Metro Central	54,700	(14,600)
Metro South	41,700	(11,200)
Columbia Ridge Landfill	11,200	0
PCS Processors	68,000	(27,200)
TOTAL	360,600	(90,200)

Given the restrictions on acceptable construction/demolition debris, the agreements should have no significant impact on the tonnage delivered to East County Recycling and Wastech.

Lower disposal costs at designated facilities could encourage new recovery operations that could eventually compete with these two existing facilities. Metro would need to evaluate these potential impacts at the time applications are made for any new recovery facilities.

**Other benefits or detriments accruing to residents of the region
from Council action in designating a facility**

There are significant potential benefits to certain groups of rate payers within the region. In particular, industries that generate special waste are currently restricted by Metro policy to relatively few disposal options. Existing facilities set disposal rates with minimal competition. Several industries that are generators of large quantities of non-recyclable special waste have stated that they would expect competition among new and existing designated facilities to lower their disposal costs.

Based on expected responses of generators and haulers to lower disposal rates caused by new designated facilities, Metro staff have estimated that the average disposal cost for acceptable waste (including PCS) would decrease from \$64.28 to \$60.72 per ton. This represents a significant "other" benefit to certain residents of the region.

COUNCIL STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 93-1739 FOR THE PURPOSE OF ADOPTING A POLICY ON PLASTICS RECYCLING IN THE METRO REGION.

Date: December 22, 1992

Presented by: Leigh Zimmerman

PROPOSED ACTION:

To adopt a resolution establishing Metro's policy on plastics recycling and to determine steps Metro can take, or legislation Metro can support, to improve plastics recycling and market development in the tri-county region. Staff prepared this staff report and resolution in response to the Council Solid Waste Committee's request that a Metro position on plastics recycling in the region be developed.

BACKGROUND AND ANALYSIS:

Primary Barriers to Recycling of Post-Consumer Plastics

Although programs to collect and recycle plastics from the public have been in place in the region since the late 1980's, the economic feasibility of recycling the material is still very low. The collection programs, intermediate processing capacity, and market prices for the recovered material are unpredictable. Even though the public wants to recycle plastic (about 20% of the Recycling Information Center's calls are on this subject), local programs continue to be unstable and are often subsidized through rates or private companies.

Major barriers to plastics recycling in Oregon identified by Metro and other groups studying this issue, such as the Coalition for Plastics Recycling and the Plastics Division of the Oregon Recycling Markets Development Council are as follows:

- Few end markets because of lack of demand for products with recycled plastic content; and limited production of new products with recycled content because of concern about quality, performance and cost of recycled plastic resin.
- Unfavorable market conditions due to high price of recycled versus virgin resins. The costs of collection, processing and transportation are too high relative to market value.
- Local recycling companies and plastics processors that are undercapitalized and have difficulty handling poor market conditions and economic downturns; unstable marketing arrangements between collectors and processors.
- Inconsistent collection programs both in terms of types of resins collected and predictability of service.

- Large number of plastic resins used in products and packaging with little uniformity in design or content. Similar products use different resins or use more than one type of resin.

Metro's Role

Metro's ability to solve the difficulties of plastics recycling are limited due to lack of control over larger economic factors. To date, Metro's primary role has been to provide education and information through the Recycling Information Center, to conduct research and demonstration projects, and to provide financial assistance through the 1% For Recycling grant program.

In 1992, Metro issued a *Sorting Out Plastics Recycling* brochure to help people identify plastics that can be recycled locally and offered postcards that consumers could send to resin producers, product manufacturers and retail stores to request changes to the current system. Since 1988, the 1% For Recycling program has provided approximately \$300,000 for plastics recycling projects. Waste Reduction staff provide data and technical assistance to individuals, companies and haulers upon request.

In 1991, Metro also supported passage of Oregon Senate Bill 66 which created the Oregon Recycling Markets Development Council and a subsidiary Plastics Division to address barriers to recycled plastics markets. The law also established minimum content legislation and other recycling standards to be achieved by January 1, 1995. In the legislative interim, some plastics companies and product manufacturers have indicated they cannot make this timetable and have requested exemptions or extensions to the law. Metro has provided written and oral testimony to the Department of Environmental Quality and the state markets council that opposes any extension or exemption. We have also supported more aggressive industry involvement and funding.

RECOMMENDED ACTION:

Staff recommends that the Council adopt Resolution No. 93-1739 establishing a policy on plastics recycling. The resolution supports a more aggressive program, including passage of necessary legislation, to overcome barriers to plastics recycling and market development. Furthermore, the resolution identifies programs Metro will undertake or support in conjunction with other agencies to provide local solutions. These will include, but not be limited to, the following:

1. Modify Metro's procurement practices to promote purchase of products with recycled plastic content. Promote purchase of recycled plastics products to other governments and businesses through the *Buy Recycled* outreach program.
2. Work with other groups to establish cooperative marketing agreements between local collectors to improve economies of scale by increased volume and reduced transportation costs. Investigate standardizing types of resins collected.

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF ADOPTING) RESOLUTION NO. 93-1739
A POLICY ON PLASTICS RECYCLING)
IN THE METRO REGION) Introduced by Rena Cusma
) Executive Officer

WHEREAS, The Oregon Recycling Act (ORS 459A) stipulates that Metro area wastesheds must achieve a recovery rate of 45 percent by January 1, 1995, and the Regional Solid Waste Management Plan sets a regional waste recovery goal of 56 percent by 2010; and

WHEREAS, The 1989-90 *Waste Characterization Study* indicates that nine percent of the region's wastestream is plastic, and the 1991 *Recycling Level Survey* indicates that only 16 percent of plastic was recycled; and

WHEREAS, The waste management hierarchy adopted by the United States Environmental Protection Agency, State of Oregon, and Metro stipulates waste materials be reduced, reused, recycled, or recovered for energy before being landfilled; and

WHEREAS, The plastics industry has established recycling goals, and promoted the fact that many plastic resins are recyclable; and consumers and businesses therefore expect to recycle post-consumer plastics; and

WHEREAS, Approximately 20 percent of the calls received by Metro's Recycling Information Center concern the difficulty of recycling plastics in the region; and

WHEREAS, The local plastics collection and processing systems are inconsistent, unpredictable and generally not profitable, and recycling businesses have difficulty responding to unfavorable market conditions caused by low prices for recycled resin and lack of demand for end uses; and

WHEREAS, The resolution was submitted to the Executive Officer for consideration and was forwarded to the Council for approval; now therefore,

BE IT RESOLVED,

That Metro supports programs and policies to improve the economic feasibility of recycling plastics in the tri-county area through infrastructure improvements and market development strategies,

3. Support the existing or a stronger state law to promote market development for plastics through minimum content or recycling rates to be achieved by January 1, 1995. Do not support legislation that grants exemptions or weakens the existing law.
4. Promote plastic industry financing of local infrastructure improvements through capital investments and short-term market subsidies, if necessary, for recovered plastics.
5. Explore with the Clean Washington Center, and other regional interests, the feasibility of a material recovery and processing facility to serve the Pacific Northwest region of Oregon, Washington, British Columbia or other viable geographic area.

EXECUTIVE OFFICER RECOMMENDATION:

The Executive Officer recommends approval of Resolution No. 93-1739.

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That Metro requests a commitment from the Plastics Industry through the Plastics Division of the Oregon Recycling Markets Council, American Plastics Council and/or the Society of the Plastics Industry, Inc. to provide technical and financial support for infrastructure and market development in the Metro region sufficient to keep the local plastics recycling programs viable until long-term solutions have been implemented,

That Metro continues to support the provisions of ORS 459A that promotes recycling and market development for plastics through minimum recycled content, recycling rates, reduction or reuse standards by January 1, 1995; and will oppose legislation that grants exemptions or weakens the law,

That Metro will support other legislation or administrative rules that can provide timely solutions to plastics recycling in the region, including state legislation for "truth in labeling" for plastic packaging and plastic products so that consumers are not misled by inaccurate claims of recyclability or recycled content,

That Metro procurement practices will be modified as necessary to promote purchase of recycled plastic products in order to increase the demand for the material, and that purchase of products with recycled plastic content by other organizations will be promoted through the *Buy Recycled* outreach program,

That Metro will work with other groups to establish cooperative marketing agreements between local recyclers for post-consumer plastics to improve economies of scale and reduce costs,

That Metro will explore with the Clean Washington Center, and other regional interests, the feasibility of a material recovery facility for plastics to serve the Pacific Northwest region of Oregon, Washington, British Columbia or other viable geographic areas.

ADOPTED by the Council of the Metropolitan Service District this _____ day
of _____, 1993.

Jim Gardner, Presiding Officer



METRO

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Memorandum

DATE: January 7, 1993
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FROM: *TP* Terry Petersen, Planning and Technical Services Manager
RE: January 14 Joint Meeting

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Although programs to collect and recycle plastics from the public have been in place in the region since the late 1980's, the economic feasibility of recycling the material is still very low. The collection programs, intermediate processing capacity, and market prices for the recovered material are unpredictable. Even though the public wants to recycle plastic (about 20% of the Recycling Information Center's calls are on this subject), local programs continue to be unstable and are often subsidized through rates or private companies.

Major barriers to plastics recycling in Oregon identified by Metro and other groups studying this issue, such as the Coalition for Plastics Recycling and the Plastics Division of the Oregon Recycling Markets Development Council are as follows:

- Few end markets because of lack of demand for products with recycled plastic content; and limited production of new products with recycled content because of concern about quality, performance and cost of recycled plastic resin.
- Unfavorable market conditions due to high price of recycled versus virgin resins. The costs of collection, processing and transportation are too high relative to market value.
- Local recycling companies and plastics processors that are undercapitalized and have difficulty handling poor market conditions and economic downturns; unstable marketing arrangements between collectors and processors.
- Inconsistent collection programs both in terms of types of resins collected and predictability of service.

- Large number of plastic resins used in products and packaging with little uniformity in design or content. Similar products use different resins or use more than one type of resin.

Metro's Role

Metro's ability to solve the difficulties of plastics recycling are limited due to lack of control over larger economic factors. To date, Metro's primary role has been to provide education and information through the Recycling Information Center, to conduct research and demonstration projects, and to provide financial assistance through the 1% For Recycling grant program.

In 1992, Metro issued a *Sorting Out Plastics Recycling* brochure to help people identify plastics that can be recycled locally and offered postcards that consumers could send to resin producers, product manufacturers and retail stores to request changes to the current system. Since 1988, the 1% For Recycling program has provided approximately \$300,000 for plastics recycling projects. Waste Reduction staff provide data and technical assistance to individuals, companies and haulers upon request.

In 1991, Metro also supported passage of Oregon Senate Bill 66 which created the Oregon Recycling Markets Development Council and a subsidiary Plastics Division to address barriers to recycled plastics markets. The law also established minimum content legislation and other recycling standards to be achieved by January 1, 1995. In the legislative interim, some plastics companies and product manufacturers have indicated they cannot make this timetable and have requested exemptions or extensions to the law. Metro has provided written and oral testimony to the Department of Environmental Quality and the state markets council that opposes any extension or exemption. We have also supported more aggressive industry involvement and funding.

RECOMMENDED ACTION:

Staff recommends that the Council adopt Resolution No. 93-1739 establishing a policy on plastics recycling. The resolution supports a more aggressive program, including passage of necessary legislation, to overcome barriers to plastics recycling and market development. Furthermore, the resolution identifies programs Metro will undertake or support in conjunction with other agencies to provide local solutions. These will include, but not be limited to, the following:

1. Modify Metro's procurement practices to promote purchase of products with recycled plastic content. Promote purchase of recycled plastics products to other governments and businesses through the *Buy Recycled* outreach program.
2. Work with other groups to establish cooperative marketing agreements between local collectors to improve economies of scale by increased volume and reduced transportation costs. Investigate standardizing types of resins collected.

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) Executive Officer

WHEREAS, The Oregon Recycling Act (ORS 459A) stipulates that Metro area wastesheds must achieve a recovery rate of 45 percent by January 1, 1995, and the Regional Solid Waste Management Plan sets a regional waste recovery goal of 56 percent by 2010; and

WHEREAS, The 1989-90 *Waste Characterization Study* indicates that nine percent of the region's wastestream is plastic, and the 1991 *Recycling Level Survey* indicates that only 16 percent of plastic was recycled; and

WHEREAS, The waste management hierarchy adopted by the United States Environmental Protection Agency, State of Oregon, and Metro stipulates waste materials be reduced, reused, recycled, or recovered for energy before being landfilled; and

WHEREAS, The plastics industry has established recycling goals, and promoted the fact that many plastic resins are recyclable; and consumers and businesses therefore expect to recycle post-consumer plastics; and

WHEREAS, Approximately 20 percent of the calls received by Metro's Recycling Information Center concern the difficulty of recycling plastics in the region; and

WHEREAS, The local plastics collection and processing systems are inconsistent, unpredictable and generally not profitable, and recycling businesses have difficulty responding to unfavorable market conditions caused by low prices for recycled resin and lack of demand for end uses; and

WHEREAS, The resolution was submitted to the Executive Officer for consideration and was forwarded to the Council for approval; now therefore,

BE IT RESOLVED,

That Metro supports programs and policies to improve the economic feasibility of recycling plastics in the tri-county area through infrastructure improvements and market development strategies,

3. Support the existing or a stronger state law to promote market development for plastics through minimum content or recycling rates to be achieved by January 1, 1995. Do not support legislation that grants exemptions or weakens the existing law.
4. Promote plastic industry financing of local infrastructure improvements through capital investments and short-term market subsidies, if necessary, for recovered plastics.
5. Explore with the Clean Washington Center, and other regional interests, the feasibility of a material recovery and processing facility to serve the Pacific Northwest region of Oregon, Washington, British Columbia or other viable geographic area.

EXECUTIVE OFFICER RECOMMENDATION:

The Executive Officer recommends approval of Resolution No. 93-1739.

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That Metro requests a commitment from the Plastics Industry through the Plastics Division of the Oregon Recycling Markets Council, American Plastics Council and/or the Society of the Plastics Industry, Inc. to provide technical and financial support for infrastructure and market development in the Metro region sufficient to keep the local plastics recycling programs viable until long-term solutions have been implemented,

That Metro continues to support the provisions of ORS 459A that promotes recycling and market development for plastics through minimum recycled content, recycling rates, reduction or reuse standards by January 1, 1995; and will oppose legislation that grants exemptions or weakens the law,

That Metro will support other legislation or administrative rules that can provide timely solutions to plastics recycling in the region, including state legislation for "truth in labeling" for plastic packaging and plastic products so that consumers are not misled by inaccurate claims of recyclability or recycled content,

That Metro procurement practices will be modified as necessary to promote purchase of recycled plastic products in order to increase the demand for the material, and that purchase of products with recycled plastic content by other organizations will be promoted through the *Buy Recycled* outreach program,

That Metro will work with other groups to establish cooperative marketing agreements between local recyclers for post-consumer plastics to improve economies of scale and reduce costs,

That Metro will explore with the Clean Washington Center, and other regional interests, the feasibility of a material recovery facility for plastics to serve the Pacific Northwest region of Oregon, Washington, British Columbia or other viable geographic areas.

ADOPTED by the Council of the Metropolitan Service District this _____ day
of _____, 1993.

Jim Gardner, Presiding Officer

STAFF REPORT

Joint Meeting of the Solid Waste Policy and Technical Committees

NEW FACILITIES REQUESTING DESIGNATED FACILITY STATUS

Date: January 8, 1993

Background

Metro's Flow Control Ordinance specifies that landfills desiring authority to receive waste from the region must be issued "Designated Facility" status. Two facilities are being considered as new designated facilities:

- Roosevelt Regional Landfill (Klickitat County, Washington)
- Finley Buttes Landfill (Morrow County, Oregon)

Agreements with three landfills that have previously been authorized to receive waste are being renegotiated as designated facilities. These are:

- Hillsboro Landfill (Washington County)
- Columbia Ridge Landfill (Gilliam County)
- Lakeside Landfill (Washington County)

In addition, an agreement with Riverbend Landfill (Yamhill County) is being worked on for the continued transfer of waste from the Forest Grove Transfer Station.

The Metro Council has recently established nine criteria that will be used to evaluate whether landfills should receive designated facility status. These are:

1. The degree to which prior users of the facility and waste types accepted at the facility are known and the degree to which such wastes pose a future risk of environmental contamination.
2. The record of regulatory compliance of the facility's owner and operator with federal, state and local requirements.
3. The record of the facility regarding compliance with Metro ordinances and agreements or assistance to Metro in Metro ordinance enforcement.
4. The adequacy of operational practices and management controls at the facility.

5. The expected impact on the region's recycling and waste reduction efforts
6. The expected impact on Metro's revenue.
7. The consistency of the designation with Metro's existing contractual arrangements.
8. The need for additional disposal capacity and the effect on existing designated facilities.
9. Other benefits or detriments accruing to residents of the region from Council action in designating a facility.

This staff report examines the effects of adding the two new facilities (Roosevelt and Finley Buttes Landfills) to the existing system of solid waste facilities in terms of Criteria #5, 6, 8, and 9. Metro staff are continuing to gather information on landfill permits and regulatory compliance needed to evaluate the other criteria.

Summary staff responses to the four criteria are presented below. Input from the Policy and Technical Committees will be used to draft a final staff report to be presented to the Metro Council.

The technical methods used in the evaluation are available upon request.

The expected impact on the region's recycling and waste reduction efforts

Staff has concluded that if, through a designated facility contract agreement, certain restrictions are placed on the types of waste transported to the new designated facilities, the potential impacts on the region's recycling will be minimal.

The following table summarizes expected changes in tons currently recovered at existing facilities (including Petroleum Contaminated Soils (PCS) facilities) if: (1) no restrictions are placed on construction and demolition debris and post-industrial waste allowed to go to the new facilities, and (2) construction and demolition debris is restricted to residue from recovery facilities and industrial waste is restricted to loads without significant quantities of recoverable material (as described below in the proposed definitions of acceptable waste).

	Current Recovery (tons/year)	Change In Current Recovery	
		No Restrictions	Restrictions
Metro Facilities	10,900	(2,900)	0
Non-Metro Facilities	2,200	(600)	0
Existing PCS Processors	68,000	(27,200)	(27,200)
Total	81,100	(30,700)	(27,200)

The restrictions on acceptable waste and reporting requirements described below are intended to eliminate negative impact on waste reduction. However, not every load will be inspected by Metro to determine waste composition. Therefore, even with these procedures in place, some waste with high recovery potential may eventually be transported to the designated facilities. The tons listed in the above table with and without restrictions should be viewed as upper and lower bounds on the potential negative impacts of new designated facilities on the region's waste recovery efforts.

The upper bound would occur if restrictions on acceptable waste were totally ineffective and the new designated facilities were an option for all construction and demolition debris and industrial waste regardless of recovery potential. The lower bound of no impact (excluding PCS) would occur if restrictions were exactly enforced and diversion from existing recovery facilities was not an option open to generators and haulers of mixed waste currently going to recovery facilities.

Currently, about 600,000 tons of material (excluding PCS) are recycled each year by the Metro region and 1,000,000 tons are disposed. A maximum loss of 3,500 tons, therefore, would represent a decline of 0.2% in the regional recycling rate of 38%.

Staff proposals concerning waste that may be accepted at new designated facilities are:

1. Residue from the processing of construction, demolition, and land clearing waste received from a Metro franchised facility.
2. Non-hazardous industrial dust.
3. Asbestos (special requirements for packaging and unloading would apply).

4. Contaminated soil and other non-putrescible debris from cleanup of petroleum or other non-hazardous chemical spills.
5. Special waste as defined in section 5.02.01(s) of the Metro Code.
6. Outdated or defective commercial or industrial products not suited for market conditions or consumer use.

To ensure that acceptable waste standards are enforced, designated facility agreements should contain adequate requirements for record keeping, auditing, and reports. Proposed wording for such requirements is as follows:

1. Company shall maintain complete and accurate records regarding all solid waste transported, treated, disposed of, or otherwise processed pursuant to this Agreement, and shall make such records available to, or send copies to, the Metro Solid Waste Department or its duly designated agents for inspection, auditing and copying upon not less than seven days written notice from Metro. Pre-numbered tickets shall be used for all transactions, in numerical sequence, and voided or canceled tickets shall be retained.
2. At Metro's option, Company shall have an independent audit conducted by a firm acceptable to Metro, no more than once each year, at Company's expense. The audit report provided to Metro following an independent audit shall address matters reasonably related to this Agreement, as specified in an audit program approved by Metro and provided to Company prior to the audit.
3. Company shall report in writing to the Metro Solid Waste Department no later than the 15th day of each month, for the duration of this Agreement, the number of tons of solid waste transported, disposed of or otherwise processed pursuant to this Agreement during the preceding month. The reports shall provide sufficient detail to adequately identify the waste profile of the various materials transported, treated, and disposed of, and include the names of persons or entities generating and delivering waste to the Facility, and the types and quantities of waste generated or delivered by such persons or entities. To the extent such information is available in electronic form, Company shall make such information available to Metro on computer disk. Metro shall maintain the confidentiality of all records submitted by Company to the extent public disclosure is not required by ORS ch 192, and otherwise in conformance with section 12 of this Agreement.
4. Company shall complete a cumulative status review of the waste types and profiles covering each six months of operations under this Agreement and shall provide such report to Metro within 45 days of the expiration of the six-month period covered by the report. The first report shall cover the period of operations from the date of execution of this Agreement through December 31, 1993.

5. Company shall provide to Metro copies of all permits covering the Facility or operations at the Facility. Copies of revisions to existing permits and newly issued permits shall be provided to Metro within seven business days of receipt. Company shall also provide, within seven business days, a copy of any official enforcement action regarding the Facility or its operation, including but not limited to, a notice of violation or non-compliance with a statute, regulation, or permit condition.

While most of the "waste reduction" impact is likely to be petroleum-contaminated soils (PCS), it should be noted that PCS is not considered as a "recyclable" in regional or state recycling and waste reduction goals. Also, Metro does not currently place any restrictions on the ability of Hillsboro Landfill or other existing designated facilities to compete with PCS processors by offering lower disposal fees if they choose to do so.

Higher disposal costs encourage investment in new recycling technology. If Metro policies concerning designated facilities result in lower disposal costs, the incentive to develop innovative recycling options for waste listed as "acceptable" in the agreements would be reduced. However, total disposal costs (including transport and user fees) at new designated facilities are not expected to be significantly lower than existing in-region disposal options at other designated facilities. Therefore, the risk of future "lost opportunities" concerning new recycling would appear to be minimal.

The expected impact on Metro's revenue

Given the current Metro rate structure, Metro staff estimates the *net* impact of these tonnage shifts would be approximately revenue neutral. There would be a slight increase in revenue collected through the Tier 1 User Fee at non-Metro facilities and a slight decrease in revenue collected at Metro facilities.

One way to evaluate revenue impacts is to compare what the current fees would be with and without the new designated facilities. Such a comparison is estimated as follows:

	Current Rates	With New Facilities
User Fee (Tier 1)	\$19.00	\$18.53
Total Metro Fee	\$75.00	\$75.06
Average Disposal Cost for "acceptable" waste	\$64.28	\$60.72

As described below, more tons would be expected to pay the Tier 1 User Fee (non-Metro facilities) while less tons would pay the full \$75.00 at Metro facilities. Given the current

spending levels and rate structure, this would result in a decrease in the Tier 1 fee and a negligible increase (\$0.06) in the fee charged at Metro facilities.

As suggested above, adding the new facilities to the existing system is expected to have a combination of neutral, positive, and negative impacts on Metro's revenue. The expected revenue impacts can be summarized as follows:

Tonnage shifts that will have neutral revenue impacts. Acceptable waste could shift from existing non-Metro facilities that pay the Metro Tier 1 User Fee (currently \$19.00) to designated facilities that would also pay the same Metro fee. This represents a neutral impact on Metro revenues. Among existing designated facilities, Hillsboro Landfill will likely experience the greatest diversion of waste. Large industrial users of Hillsboro Landfill may be able to negotiate lower disposal costs with new designated facilities. Metro staff estimate that 24,000 tons of special waste and 7,000 tons of PCS could shift from Hillsboro Landfill to the designated facilities. Lakeside Landfill is receiving much smaller quantities of waste that would be acceptable at other designated facilities.

Tonnage shifts that will have negative revenue impacts. Metro's current rate structure is not "revenue neutral". Waste that shifts from Metro facilities that pay all Metro fees to non-Metro facilities that pay only the Metro Tier 1 User Fee represent a loss in revenue that is not entirely balanced by avoided costs. Given the proposed restrictions on the types of waste the facilities will be allowed to accept, Metro staff estimate that 26,000 tons of waste currently being delivered to Metro transfer stations could eventually shift to designated facilities.

Tonnage shifts that will have positive revenue impacts. By offering lower disposal costs or other desirable services, designated facilities could potentially capture waste from four sources that are not currently paying Metro fees: (1) illegal dumping, (2) illegal disposal, (3) industrial "mono-fills", and (4) PCS diverted from existing processing facilities. It is difficult to estimate what the total available tonnage might be from these sources. Because staff wanted to estimate the "worst case" revenue impacts, the analysis described in this report did not assume that any new revenue would be obtained from the first three sources.

The need for additional disposal capacity and the effect on existing designated facilities

Most of the proposed acceptable waste is currently either being disposed at Hillsboro Landfill, Lakeside Landfill, processed by franchised PCS facilities, or illegally transported outside Metro's system. Hillsboro Landfill and PCS facilities have the capacity to handle the current quantities of special waste being generated in the region. Hillsboro Landfill has been issued a DEQ solid waste disposal permit that expires October 31, 1994. The forecasts being used by Metro assume that the Hillsboro Landfill will continue operation past this date. However, if Hillsboro Landfill was required to close or significantly reduce tonnages, it would be necessary to develop alternative disposal options. Other designated facilities included in the proposed agreements would help ensure that the region has adequate disposal capacity for the types of special waste proposed above.

The expected effects of the proposed agreements in terms of tonnages are summarized below:

	Current Quantity of Acceptable Waste (tons/year)	Expected Change Due To New Designated Facilities (tons/year)
Forest Grove Transfer Station	7,400	(2,000)
Hillsboro Landfill (excludes Tualatin Valley Recovery Co.)	121,000	(28,400)
Lakeside Reclamation Landfill (Grabhorn)	51,100	(5,400)
East County Recycling	4,800	(1,300)
Wastech	700	(100)
Metro Central	54,700	(14,600)
Metro South	41,700	(11,200)
Columbia Ridge Landfill	11,200	0
PCS Processors	68,000	(27,200)
TOTAL	360,600	(90,200)

Given the restrictions on acceptable construction/demolition debris, the agreements should have no significant impact on the tonnage delivered to East County Recycling and Wastech.

Lower disposal costs at designated facilities could encourage new recovery operations that could eventually compete with these two existing facilities. Metro would need to evaluate these potential impacts at the time applications are made for any new recovery facilities.

**Other benefits or detriments accruing to residents of the region
from Council action in designating a facility**

There are significant potential benefits to certain groups of rate payers within the region. In particular, industries that generate special waste are currently restricted by Metro policy to relatively few disposal options. Existing facilities set disposal rates with minimal competition. Several industries that are generators of large quantities of non-recyclable special waste have stated that they would expect competition among new and existing designated facilities to lower their disposal costs.

Based on expected responses of generators and haulers to lower disposal rates caused by new designated facilities, Metro staff have estimated that the average disposal cost for acceptable waste (including PCS) would decrease from \$64.28 to \$60.72 per ton. This represents a significant "other" benefit to certain residents of the region.