

# REGIONAL SOLID WASTE ADVISORY COMMITTEE MEETING

March 17, 1999

## ATTENDEES

### Voting Members

Ed Washington, Chair, Metro Councilor  
Jeanne Roy, Citizen, City of Portland  
Merle Irvine, Willamette Resources  
Garry L. Penning, Waste Management  
Mike Leichner, Washington County haulers (alternate), Pride Disposal  
Dean Kampfer, Multnomah County haulers (alternate), Waste Management  
Rick Winterhalter, Clackamas County  
Tom Wyatt, Browning Ferris Industries  
Ralph Gilbert, East County Recycling  
David White, Tri-C/ORRA  
Lee Barrett, City of Portland, (alternate)  
Mike Misovetz, Citizen, Clackamas County  
Lynne Storz, Washington County  
Jeff Murray, Recycling Industry (alternate), Far West Fibers  
Steve Schwab, CCRRA (haulers association), Sunset Garbage

### Non-Voting Members

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

## GUESTS

Dave Kanner, Washington County  
Todd Irvine, WRI  
Jerry Rust  
Diana Godwin, Regional Disposal Co.  
Easton Cross  
Kent Inman, American Compost

Greg Nokes, The Oregonian  
Arnold Cogan, Cogan Owens Cogan  
Dean Lange, Finley Buttes Landfill  
Sara Jo Chaplen, City of Hillsboro  
Scott Bradley, Waste Management

(Other guests not identified on Sign-In Sheet)

## METRO

Doug Anderson  
Aaron Brondyke  
Marv Fjordbeck  
Connie L. Kinney, Clerk to the Committee

Steve Kraten  
Leo Kenyon  
John Houser

Bill Metzler  
Tom Imdieke  
Meg Lynch

## INTRODUCTIONS

Chair Washington opened the meeting and welcomed the committee members and guests.

Mr. Garry Penning, representing the facilities industry announced he and his family would soon depart the region to residing in the Grants Pass area. He announced that Scott Bradley with Waste Management would assume his duties at Waste Management and at the SWAC meeting.

Chair Washington asked for approval of the February SWAC minutes.

Mr. Ralph Gilbert motioned for approval of the February minutes and Mr. Doug Devries seconded the motion. The committee unanimously approved.

Chair Washington specially welcomed Mr. Greg Nokes, reporter for the Oregonian, as a guest of the meeting.

## DIRECTORS UPDATES

Mr. Warner said that negotiations on the disposal contract between Waste Management and Metro will be discussed shortly. He said the City of Portland has embarked on a new frontier, sponsoring the first of a scheduled eight bulky waste collection events three weeks ago. He said that Metro had agreed to cover the cost of disposal for the first two events and then to further evaluate the program. He said the neighbors were very appreciative of this event, however, there were a few complications.

Mr. Barrett, SWAC member and City of Portland staff person in charge of the new program said that due to the overwhelming response from the first of the bulky day collection events that the City has delayed the second event until they can more clearly define the parameters of the program. Mr. Barrett said that in the two previous pilot programs the City did not accept construction debris and during this last event they did. This proved to be a big problem for the haulers to collect and the lumber does not fit into the compactors. He said there was also complaints with regard to materials blowing around due to a delay in pickup. Mr. Barrett said that so-called bulky waste should not have been blowing around. In the future, the City would delineate what materials would be accepted and perhaps a limit on the number of items an individual could set out. Mr. Barrett said the City would be meeting with neighborhood organizations and haulers to iron out some of the difficulties.

Mr. Warner announced that Metro's spring compost and natural gardening events are now underway and you can get more information through Metro's RIC at 234-2000 or by visiting Metro's web site. Mr. Warner said the winners of this year's student billboard contest are being displayed in Metro's lobby. Also displayed are the honorable mention awards and other student submissions to the contest. He thanked A.K. Media for their continued generous support and partnering. He also reminded the committee about the upcoming Earth Day where Metro partners with SOLV and anticipates cleaning up a site in Clackamas County.

Ms. Lynne Storz introduced the new SWAC representative from the City of Hillsboro, Ms. Sara Jo Chaplen.

## WASTE MANAGEMENT CONTRACT NEGOTIATIONS

Mr. Warner distributed a copy of the news release announcing that Metro and Waste Management have come to agreement on changes under which Metro would continue shipping its waste to Arlington. He thanked Waste Management for coming to the table and becoming a true partner in putting this agreement together. He stated he believes we have an agreement that will benefit the region and its ratepayers for a number of years. Mr. Warner said this agreement would appear as Change Order #8 before the Metro Council in the month of April. He said that the contract negotiations resulted in a change order that would significantly change the rate per ton the region pays to dispose of solid waste. Mr. Warner said we still will have the sliding scale rate structure and the more tonnage disposed of at Arlington, the less per ton we will pay. Mr. Warner said the Council was concerned that we needed a market check of the rates and this change order allows for one every five years and will allow the rates to be adjusted to the market. He said the main savings effect of this contract would not occur until the year 2000. Mr. Warner said the new agreement includes a modification of the waste delivery guarantees that boils down to removing the limitation on Forest Grove but it still guarantees 90% of the region's putrescible waste. Finally he said the agreement establishes criteria for Waste Management to negotiate an agreement with our current transportation contractor to take over the transportation of the region's waste to Arlington. Mr. Warner said this agreement does not allow Metro to terminate, for convenience, the transportation contract it has with STS, with which it still has a 10-year contract. However, Metro is negotiating options that might lower transportation costs, but that is not part of the packaged agreement with Waste Management.

Mr. Warner said the change order has been prepared, and has been filed with the Council office. The Presiding Officer has requested the Chairman of REM to put this discussion on the April 7<sup>th</sup> meeting to provide information to the Council and the Committee. Depending on the outcome of that meeting, it could be to the full Council for their consideration the following week, April 15<sup>th</sup>. Mr. Warner said that because of the January 2000 implementation date of the new change order, there is concern on what the new reductions will mean to the tipping fees and excise tax. He said staff and Council will be working on those issues and it is anticipated information will be made available to the Rate Review Committee by August or early September. Mr. Warner said that anyone interested in receiving an actual copy of the Change Order #8 language, Resolution and Staff Report, is welcome to call himself or Mr. John Houser of the Council Office, 797-1541.

Chair Washington introduced Councilor Rod Parks (also a member of the REM Committee) who is joining us this morning. Councilor Parks is from the East County (Gresham) area.

Chair Washington welcomed anyone interested in giving testimony (either written or oral) with respect to the Waste Management Change Order to attend the April 7<sup>th</sup> meeting. Chair Washington reminded Mr. Warner that the Council would be on vacation into the middle of September so that any staff reports with regard to rates and excise taxes would need to be available at the beginning of August or after the middle of September.

## SWAC MEMBERSHIP AND ORGANIZATION

Mr. Warner noted that SWAC is one of the most important committees at Metro, advising the Council on solid waste issues and as everyone can note from the materials in the Agenda packet, there are several committee members that have been on the committee for a very long time. He

said that the SWAC bylaws clearly state that the membership and representation should be periodically reviewed. He said that with the changes taking place in the industry, staff has heard some comments that membership may not be fully representative of solid waste interests in a manner necessary to fulfill the overall mission of SWAC. He said that Mr. Doug Anderson would present some of those issues.

Mr. Anderson distributed a one-page sheet on SWAC objectives. He said we are looking at how best to reflect Metro's constituency. He presented options including: (a) representation from the composting industry, and business ratepayer representation, (b) redefining some existing positions, and (c) keep the committee the same size or reduce it. He said another option is to keep the membership structure as it is and adding some of these other positions.

Chair Washington asked the Committee how they felt about some of these options.

Mr. White commented that combining haulers with facility operators was not a good idea because their interests are not all the same

Ms. Storz said she was concerned about eliminating city representation in favor of only inviting the County to the table for the same reasons that Mr. White commented on.

Ms. Jeanne Roy commented the committee was too heavily hauler and local government dominated and she would like to see more citizen and business representatives. She also commented that she felt the committee was large enough and would prefer it not become any larger. Ms. Roy felt there should be at least one small businessperson representative.

Chair Washington invited the committee's input on these issues during the coming month.

#### TRANSFER STATION SERVICE PLAN

Mr. Metzler said that at the last SWAC meeting, the Plan was introduced to the committee. He said there have been several work sessions but are still in the beginning stages of the project. Mr. Metzler said there are many questions dealing with what types of services should be provided to the region. He said that staff is prepared to take these issues to the stakeholders and decision-makers throughout the region, to assess the criteria, develop alternatives, summarize the impacts from each alternative, and then develop conclusions and recommendations.

Mr. Metzler said today he would like to explore some of the questions the committee brought up during last years code revision process, to flesh them out a little, and to see if they are still valid or if the committee wishes to add to them. Some of the discussion items are:

- Ability of haulers to compete with larger companies with\without a transfer station facility.
- Travel time/Access: cost to ratepayers
- Need for non-vertically integrated haulers to have options
- Policy toward serving the public customer? Or how can we best serve the public customer?
- Effects or impacts of Metro's declining disposal rates on a facility's ability to continue operations?

Mr. Metzler said that Mr. Anderson would facilitate the discussion, while he put some of the ideas down on the flip-chart.

Chair Washington asked Mr. Metzler that if the results indicate there are additional needs in the region, what is the timeline for the complete need assessment? Mr. Metzler said staff is hoping to have the assessment completed by the end of this fiscal year (June 30, 1999). Mr. Metzler said this is dependent upon the role of various stakeholders, policy makers and decision-makers. He said if it is felt the issues need more study, staff is prepared to do this.

Mr. Gilbert said he would like to have an analysis of what effect more services would have on recycling.

Mr. Anderson said many haulers expressed they would find it more cost-effective to compete if they had access to, or more particularly, owned, a facility. He asked if that was still valid, or had it changed?

Mr. Irvine commented this came up when we discussed reload facilities (because they would be restricted to whoever owned that facility). He said it was widely felt that others should be able to share in the savings, however he said that the Metro imposed 50,000 ton limit on the amount of tonnage handled through these facilities, has literally made that impossible. He said it has been necessary to limit the use of the facilities to their own vehicles because they easily handle the 50,000 ton limit.

Mr. White said this raises a bigger question: What is meant by need? Is it regional or local? He said it is the whole issue that the code says you have to show a regional need before you can even get a facility without a regional impact, you can't have it even though it may be a cost benefit to outlying cities and haulers.

Mr. Washington asked for a further definition and discussion of the 50,000 ton cap.

Mr. Anderson said that last year there were a number of folk who felt there was a need for better accessibility to transfer services. He said that Metro was not prepared to have regional transfer stations appear anywhere in the region. Mr. Anderson said that Metro needed to assess what this would mean to public customers, the services that Metro currently gives to its customers in the region, and to what extent new transfer stations should be required to contribute to services that the region might need. He said that Metro serves more than just commercial customers for instance, household hazardous waste and public self-haul. He said that these are often time loss-leaders, and if you don't have a profit center in your business, it would be difficult for some of these centers to provide these extra services. He said that Metro compromised and allowed some local transfer stations and allowed them to proceed and imposing a 50,000 ton cap. He said it was thought that at a certain scale of operation, the philosophical concept was the company needed to provide the region with some of the less profitable services to the citizens. Mr. Anderson said he felt the question was not whether the limit was 50,000 ton, (the limit on the amount of waste that can be landfilled – out the backdoor of the facility) but what is the policy towards serving the public customer on some of these less profitable services.

Mr. Kampfer said he remembered when that 50,000 number was thrown out, we (SWAC) questioned how that number was set. He said that since Metro's two transfer stations handle 250,000 tons, a more likely number would be 100,000, or 1/3 of the regional transfer stations.

Mr. Anderson replied that Mr. Kampfer must therefore presume there is a need and how would he define that need?

Mr. Penning replied that for instance, the east county haulers would very much like to use the Waste Management facility in Troutdale because of its close location. They have already easily reached the 50,000 ton cap they must limit the use to their own haulers, thereby denying a cost-savings to local haulers in the east county area.

Mr. Schwab commented that the public should also have access to these closer facilities. He asked at what point do the facility owner's step up to the plate and provide some regional services. Mr. Schwab said perhaps the costs could be spread out in the user fee.

Dave Kanner commented that it sounds like the broader question is what is the appropriate funding mechanism to deal with the needs of citizens of the region. He said at this point Metro is stuck with all of the unprofitable services.

Mr. Barrett commented that he would like to see some sort of sliding scale. He said that if you move from 50,000/tons and go to 100,000/tons you need to provide a,b,c and if you go further, you need to provide more. He said the theory is that the more tonnage you accept, the greater ability for you to provide additional services.

Mr. Anderson stated that staff have discussed abbreviated services such as accepting hazardous waste once or twice a month, or to tailor the services to the needs of the local area.

Mr. Warner commented there were other ways to provide services other than to provide them at a transfer station, and it was his hope that if it is decided the services are needed and desired, they are provided somehow and that we have a plan to provide those services:

Chair Washington said that in listening to the conversation so far he can fairly make the assumption that this is a rather "hot" and important issue. He asked the committee the issue was important enough that they wanted to solve it, and how soon?

Mr. Warner reminded the committee that the issues were very quickly discussed at the last meeting. He said the team will very methodically work through the issues as was suggested by Mr. Gilbert. He said the team wanted to make sure they were exploring all of the important issues before they proceeded.

Mr. Gilbert stated that we need to go through this process before we make the decision.

Ms. Roy said that as she listened to the discussion it would seem to her that there is a possibility that outlying transfer stations might take away some of the business from the Metro transfer stations and she wonders what will happen to source-separated recycling.

Mr. Anderson said that generally we are at the stage of trying to determine and verify there is an issue that needs solving. He added that at this stage we don't know if it is necessary for outlying transfer stations to provide everything that Metro does or that they only provide stylized services. Mr. Anderson said that he is hearing that part of the reason for these facilities are cost-reduction that could be passed on to the ratepayers. Mr. Anderson said that currently Metro code allows us to grant a transfer station only if the local benefit were greater than any offsetting regional benefit. That is, if the costs at Metro's regional transfer stations were to increase dramatically, at what point would the local benefit give way to regional benefit. This is a question staff will have to grapple with.

Chair Washington asked Mr. Schwab if Mr. Anderson was speaking to the same point he was making about serving the public.

Mr. Schwab said if there is a facility available that is closer to the public, at what level do you allow them access. Mr. Schwab said another point is that even though a cost savings does not reflect an out-of-pocket to the customer that does not mean they are not the recipients of that saving. If it costs less for a hauler to take a load to a closer transfer station, that might allow a hauler to keep his costs at the same level for a longer period of time. He said all cost savings are not reflected through a lower fee.

Mr. Penning said that another point is that collection technology is evolving. He said facilities need the ability to do pilot projects, and take other initiatives. This all takes dollars and facilities need the ability to take its cost savings whenever possible so they can continue this new technology five and ten years down the line.

Mr. Metzler showed a map that illustrated how many miles (and minutes) various haulers were away from the regional transfer stations. He said the Regional Solid Waste Management Plan described a 20-minute travel as being the optimum distance from a facility. He said there were obviously some gaps throughout the region.

Mr. Anderson said the third issue is the need for non-vertically integrated haulers to have additional options at these facilities. He said that currently Metro Code allows an operator to choose who he is open to. He said the question last year was whether there should be access for all haulers. He said the issue is should the transfer station operators be required to be open to all commercial haulers, so that small haulers not be left to the mercy of integrated operators.

Mr. Schwab reminded the committee that even if the 50,000 ton cap were lifted, local land use laws might also limit any more tonnage. He said that as an example, Miller's was unable to raise the tonnage limit.

Chair Washington said he would further discuss with staff some of the issues discussed today to determine where we go from here and whether to expand this discussion. He said he would have further answers to some of the proposed questions at the next SWAC.

## STATE OF THE PLAN REPORT

Mr. Apotheker discussed the latest draft report on the State of the Plan. He said a copy of the new draft will be available at the end of the meeting. Mr. Apotheker said that at the meeting the committee was given a broad overview and today we want your comments and advice on the plans findings. He said we want to use your comments to help structure some prioritized workplans to move towards fulfilling the regions goals. Mr. Apotheker encouraged the committee to submit comments to him, and he can be reached at 797-1698 or Meg Lynch at 797-1671.

Mr. Apotheker continued with a discussion of the State of the Plan, a look at where the region is with regard to the State mandated recycling goals, and an overall structure and analysis of the report to see if we are perhaps missing something in terms of how we have arrived at these conclusions. He said staff has provided three areas of focus the region's efforts need to go into; and lastly, we have some specific recommendations that are in the report for which we would like your comments.

Mr. Apotheker said that even though between 1995-97 the region made no progress on our regional goals on recycling staff does not believe we should change the goals. He said this is based in part on the waste-sort data information DEQ has provided which showed substantial amounts of recyclable materials in all of the wastestreams – from 25% in the residential, single family wastestream, up to 50% in the wastestreams that are self-haul and going to MRFs for example. He said the commercial wastestream is very rich as well, 30% to 35%. He said we can add another 20% to 25% of the wastestream that is available in organics as that program gets going. He said that while the 1995-97 years made no change, in 1997 we started to resume our upward track; recycling increased two points and overall recovery increased one point. He said that 1998 data suggests that we are continuing on that upward track, leading to the conclusion there is no reason to abandon the region's goal.

Mr. Schwab asked if staff was getting all of the reporting data: Greenstones, and others like that? Mr. Apotheker said they are getting all of the information that is being reported to DEQ on recycling and recovery, but they know there are some areas where they could improve those numbers and staff will be doing that, but they haven't seen any big holes. Mr. Schwab said it was going to cost more money to get that extra tonnage of recycling.

Mr. Apotheker said there is enough evidence to suggest that while economics might be a barrier, there is a lot of improvement the region can make in terms of education and focusing our resources, etc. He asked the committee if there was any areas they would like to see staff focus on such as Ms. Roy's suggestion that she would like an analysis on the effect of lowering the tip fee has on recycling.

Mr. Barrett asked if bakery waste being turned into animal feed was counted as recycling?

Mr. Apotheker said that interestingly enough there is some amount of food waste going into recycling and reuse that isn't being tracked by DEQ and that our region is probably the leader in that area. He said it is not huge but it is a growing area and we will be looking at it to see how much of this material can be included in our recovery rate. He said it will have to be determined



whether this material was going into the wastestream or whether it was more of an industrial waste that has always been recovered in some manner.

Mr. Apotheker said we believe our focus of recovery should be on commercial, C&D and organics. He asked the committee if they agreed with that analysis.

Ms. Roy said she totally agreed with that analysis but wondered if that included yard debris. She said she believes there is still a potential for more recovery in that area.

Mr. Apotheker said there was some focus on recovering the self-haul yard debris through changes at our facilities, for instance. Mr. Apotheker asked the committee if they had any additional ideas on how they should focus their attentions. It was noted that Mr. Gilbert, Mr. Schwab, Mr. Murray and Councilor Munroe did not previously receive a copy of the draft plan and therefore would withhold comment until they had an opportunity to review the materials.

Ms. Roy said a significant effort was made a couple of years ago and specific tonnage projections were made based on specific programs to achieve that tonnage. She would like to see a concentrated effort to make tonnage estimates and program recommendations on how to achieve those tonnages come out of this effort.

Mr. Barrett thanked Mr. Apotheker for acknowledging that the region is not on track. He stated that Metro is not going to meet the regional goal, and the state will not reach its goal and that he doubted that the City of Portland will reach its goal by the year 2000.

Mr. Apotheker said that to reach 2%-3% points per year for each of the next three years will be difficult, but if you look at the accomplishments the region has made in the past, it has made those types of improvements. He said he is tempered on his optimism that the region will be able to make those figures, but perhaps as we go through our analysis and get ready for the 1999 report, we may make the suggestions to say that these goals may be achievable, but we may miss them by one year due to that bad year in 1996.

Mr. Cross commented that no one addressed the issue of what drives recycling--money. He said it doesn't do any good to collect mixed-wastepaper if you have to pay to dispose of it. He asked what can you do to subsidize recovery? Mr. Cross said there has to be a market for the collected recycled materials.

Mr. Warner recapped by saying that the group agrees that based on the report and data presented at the last meeting, that staffs conclusions are for the most part on-point. He said he is also hearing that even though we know the specific areas that we need to focus our efforts on, we probably need to get some smart people together from this room to analyze the best ways to focus our efforts on those areas in order to reach our goal.

A comment from one of the guests was that an effort to educate the plethora of contractors who currently hold contractor's licenses on how to recycle and the benefits of recycling. He said the majority of new contractors have no idea on how or what to recycle.

Chair Washington asked the committee if they believed there was a need to convene some subcommittee or task force on any of these issues, i.e., the reorganization of the committee, and any other issues.

Mr. White suggested that the regular committee meet more often.

Chair Washington determined that the committee preferred that staff make some specific recommendations on the issues discussed at this meeting and bring them back next time to the full committee and they would then decide if further action from the full committee.

Mr. Warner commented that staff has a very aggressive schedule. He said he believes he hears the committee needs other venues for this group to see our work product and reaction and that we will revisit our process.

Councilor Monroe commented that he is assuming that the 50,000 ton cap is based with the idea that smaller haulers can use those facilities, and now that is not taking place. He said that he would ask Metro staff to look for a component for those small haulers that would allow them to use those facilities, wherever the cap be in the future, that a component be there so that the questions that were asked on these topics are not locking out those small haulers from the closer facilities.

Chair Washington thanked the committee for their help in the various topics that were discussed. He said the topics are important enough that staff is asked to help in the in fleshing out the issues and he thanked the committee and staff for their participation and input.

The meeting was adjourned.

Respectfully Submitted

Connie L. Kinney  
Clerk to the Committee