

## **Executive Summary**

### **Solid Waste Advisory Committee February 24, 2003**

#### **I. Call to Order and Announcements**

**Susan McLain**

- Approval of Minutes: Mr. Walker motioned to approve the summary; Mr. Kampfer seconded the motion; none opposed; the Executive Summary was passed.
- Councilor McLain said that names of people interested in filling the vacant Committee positions are being forwarded to the Council President for his consideration and she is hopeful the positions will be officially filled soon.

#### **II. Solid Waste & Recycling Director's Update**

**Mike Hoglund**

- Mr. Hoglund announced that he had met individually with some Committee members and he appreciated everyone's help in bringing him up to speed on solid waste issues.
- The Solid Waste and Recycling budget for FY 2003-04 will be first considered by Council at the March 26 Council Informal meeting. Formal budget hearings will take place in April.
- Mr. Hoglund said that Metro meets monthly with local government solid waste representatives and at the last meeting two issues of general concern came up. First, ODOT has announced that they will be bringing a weighmaster to the Metro transfer stations and will cite overweight trucks. Metro is concerned that this will drive away customers, and will be talking to ODOT about a more equitable solution, i.e., weighing trucks at all transfer facilities. Mr. Gilbert said that they periodically weight trucks outside the entrance of his facility. Secondly, Metro is concerned about minimizing pollution in the Gorge and will be proposing a demonstration project of installing new filters on CSU trucks hauling waste from Metro transfer stations up the Gorge. These filters will cost about \$6,000 per truck and reduce particulate matter by at least 70% and carbon monoxide and hydrocarbon emissions by at least 50%. Metro is seeking grant funds for this project, but will draw upon the department's reserves if needed.

#### **III. Contamination and Loss of Recyclables**

**Lee Barrett**

Mr. Barrett presented a PowerPoint slide show commencing with a brief history of this matter, reviewing the charge of the Subcommittee on contamination and loss of recyclables, and their recommendations to improve the processing and recovery of recyclables. The Subcommittee recommends that glass not be mixed with paper during collection or processing of residential or commercial recyclables. The Subcommittee also recommends sampling and voluntary reporting in order to better assess the contamination and loss of recyclables. The MRFs have agreed to cooperate voluntarily with Metro by allowing quarterly samples, submitting residual reports on a monthly basis and allowing load observation. The Subcommittee is not recommending a residual limit at this time because they feel more research is needed, and because differences in facilities make it difficult to determine an appropriate and equitable number. The Subcommittee also noted that education of customers, perhaps by a regional campaign, could significantly reduce contamination of recyclables. Finally, the Subcommittee agreed that the review process will last for one year and at that time opportunities for improvement can be identified.

Mr. Walker said that the Subcommittee worked hard to create a proposal that can assist our region and assure residential and commercial customers while accommodating a range of viewpoints. Education is a commonly agreed upon theme, all partners can participate in educating customers, but that a region-wide campaign could do a heck of a lot for this issue.

Councilor McLain stated that she talked to Mr. Murray before the meeting and he could not stay, but requested that she convey to the group his support of these recommendations.

Mr. White's recommendation on behalf of haulers is to legislate the separation of glass from fiber. He also agrees that the previous study on this issue was only a snapshot in time and more accurate information is needed.

Mr. Barrett said that the group discussed local governments educating residents in addition to urging haulers to leave notes for homeowners leaving unacceptable materials for curbside pickup.

Ms. Chaplen said that given the recommendations are unanimous and the broad representation of the Subcommittee, she moved that the Committee pass the recommendation. Mr. White seconded the motion. The motion to accept the Subcommittee's recommendations passed by a vote of 13 – 1. Mr. Gilbert voted not to accept the recommendations, stating that he had several questions that had not been answered.

#### **IV. Hazardous Waste Round-ups: Progress Report on Year 2**

**Lisa Heigh**

Ms. Heigh reviewed the history of Metro's household hazardous waste program, and said that overall Metro now collects about 3.5 million pounds annually from both the permanent facilities and round-ups. The round-up program strives to serve the under-served, provide efficient collection service, and meaningful education and social marketing components by understanding the citizens using the program. This program relies on smaller, multiple events with targeted marketing over a 35-week period. Fifty percent more people were served for a total of 705,470 pounds collected per event, averaging 66 pounds per person served. Education at the round-ups targets pesticide use, and tries to educate people to use less or not use them at all because pesticides are toxic, cost a lot to dispose of and are non-recyclable.

In response to questions, Ms. Heigh explained that social marketing includes a commitment, education and information. For example, ask people for a commitment, sometimes by offering incentives for doing so, then ask them to try something else and educate them about alternatives. There is no cost to people dropping off the waste. It costs Metro an average of \$1 per gallon to dispose of the waste, however disposal cost varies significantly with type of waste. It's too early in the program to evaluate how the load size has changed. However, some event sites typically have larger loads on average. She noted that one of the primary goals of the round-ups is to get the stockpiles out of people's homes. Small businesses (conditionally exempt generators, or CEGs) can take materials to the permanent facilities where they are charged, but they are not accepted at the round-ups. One reason Metro would consider reinstating the \$5 charge per load is that in some cases, Metro is serving repeat customers, possibly because the free service gives no incentive to change. She has been thinking of ways to monitor generation of hazardous wastes, but because there are so many products out there it is difficult and expensive to track and monitor.

Councilor McLain said that she had heard of several people that bring in other's waste, or that ride with neighbors. Perhaps a question on the survey should try to capture that.

Mr. Walker said that he understands that many events are located at the edge of the region to serve those that are farthest from the permanent facilities, but that many people living in the City of Portland do not have transportation to the facilities, and he urges more round-ups be held in Portland.

Councilor McLain urged members to pass along suggestions for any performance measures they think could be useful for this program.

#### **V. Solid Waste Rate Review Committee Update**

**Tom Chaimov**

Councilor McLain explained that due to some reorganization at Metro, the budget process is getting started later than usual this year. The Council will put concentrated effort into reviewing the President's budget beginning in March.

Mr. Hoglund explained that the Rate Review Committee (RRC) is mid-process; they will probably meet a few more times. Mr. Chaimov said that the RRC is charged with reviewing technical rate issues and recommending a rate to the Metro Council. After considering the RRC's recommendation, the Council adopts a rate change by April, for the rate to take effect by July 1, 2003. This year the RRC has discussed the bond covenant and effects, the budget overview, cost and revenue allocations, and rate and reserve scenarios. In future meetings, they plan to discuss the rate recommendation and possibly minimum load charges. Thus far, the RRC has agreed that rates should begin to cover costs over a smooth transition period of 1 – 2 years. How to smooth the transition, its effect on reserves and assuring the bond covenant requirements are met are issues influencing the recommendation. Specifically, as a part of the tip fee, what level of regional system fee (RSF) would best balance desired policy goals. Some increase in the RSF is likely necessary in order to smooth the transition, meet the reserve target and debt coverage ratio.

In summary, during the final meetings the RRC will recommend a rate, including scenarios depending on changing conditions. Councilor McLain added that the Council has asked the RRC to suggest different scenarios in some cases, in case the Council review of the budget changes things, such as proposing budget cuts. She also said that Metro is committed to meeting the schedule in order to give local jurisdiction time to include any rate changes in their rate setting processes.

## **VI. Other Business and Adjourn**

**Susan McLain**

Councilor McLain announced that the next meeting will be March 17 at 3:15 p.m. The meeting was adjourned.

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### **Documents to be kept with the record of the meeting:**

#### Agenda Item I:

1. PowerPoint slides: "Report of the Metro SWAC Subcommittee on Contamination and Loss of Recyclables"

#### Agenda Item II:

1. PowerPoint slides: "Household Hazardous Waste: Metro's Neighborhood Collection Program "Round-ups"

#### Agenda Item III:

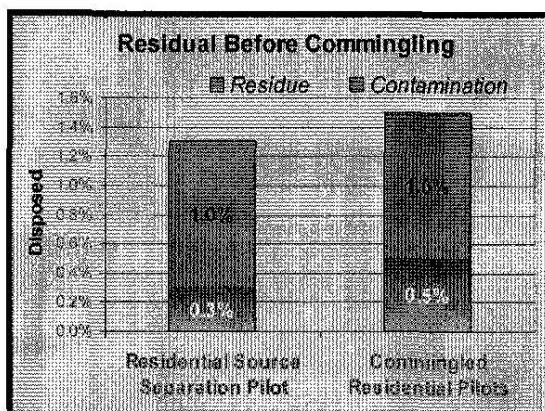
1. PowerPoint slides: "Solid Waste Rate Review Committee Update"

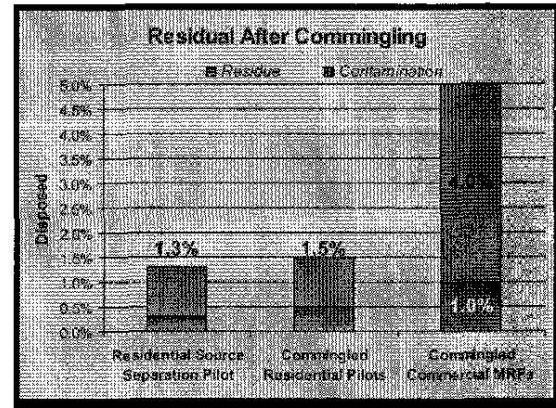
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## Report of the Metro SWAC Subcommittee on Contamination and Loss of Recyclables

### Subcommittee Members

- 2 Citizens
- 2 Hauler representatives
- 2 MRF representatives
- 1 Business representative
- 2 End-use Market representatives
- 2 Local government representatives
- 1 State government representative





## Collection

- No glass with paper, residential or commercial
- Roll-cart service
- Research shredded paper losses

## Sampling and Reporting

- Cooperation, not regulation
- MRF residual reports
- Metro samples
- Load observation
- No target number

## Education

- Improve education of customers overall
  - Glass
  - Automated roll carts

## Follow-up Actions

- One year review
- Identify opportunities for improvement



## Solid Waste Rate Review Committee Update

February 24, 2003

## Rate Setting Process & Timeline

- Preliminary budget compiled in the Fall
- RRC meets several times during Winter
  - review technical rate issues
  - recommend rate to Metro Council
- Council adoption of any rate change by April
- New rate effective July 1

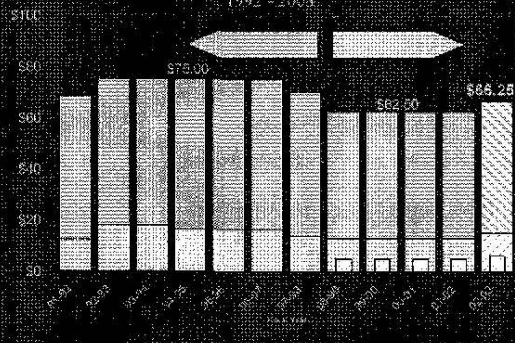
## RRC Activities for FY 03-04 Rate

- Held 3 meetings in January & February
- Issues discussed:
  - Bond covenant & effects
  - Budget overview
  - Cost & revenue allocations
  - Rates & reserves scenarios
- 1-2 more meetings to go (3/5, 3/19)
- Future topics:
  - Rate recommendation
  - Minimum load charge?

## Solid Waste Budgets '99-04

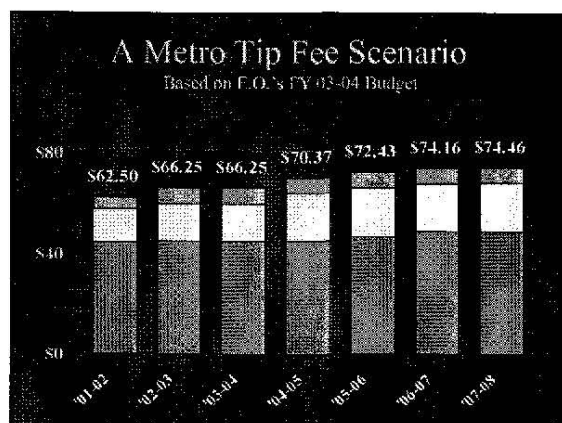


## Metro Tip Fee 1992 - 2003



## RRC Consensus

- Rates should recover costs  
Therefore, rate components should equal per-ton costs
- Transition should be smooth  
Take 1 to 2 years to match per-ton cost



### The Crux of the Issue:

How should Metro manage rates during the transition?

- ### Issues Influencing Recommendation
- Smoothness of transition
  - Effect on reserves
  - Bond covenant met?
  - Council decision on FY 03-04 budget

- ### Specific Question
- Given the E.O.'s budget...
- What RSF next year would best balance the desired policy goals?
- No Change
  - Some Increase

- ### No Change
- (based on E.O.'s budget)
- Likely need a large increase in FY 04-05
  - Reserves short of target
  - Difficult to meet coverage

- ### Increase RSF
- (based on E.O.'s budget)
- | \$1                                | \$2                    |
|------------------------------------|------------------------|
| • Smoother transition              | • Smoothest transition |
| • Reserve level still below target | • Reserve target met   |
| • Debt coverage met                | • Debt coverage met    |

## Next Steps

- Recommend rate
- Recommend "rules of engagement" if conditions change  
e.g., budget change
- Identify specific research  
e.g., cost allocations