



METRO

600 NE Grand Ave.
Portland, OR 97232-2736

MEETING SUMMARY
Solid Waste Advisory Committee
Metro Regional Center, Council Annex
July 28, 2005

Members / Alternates Present:

Councilor Rod Park, Chair	Mark Altenhofen	Matt Korot
Mike Hoglund	Glenn Zimmerman	Heather Hansen
JoAnn Herrigel	Wade Lange	Mike Huycke
Jeff Murray	Mike Miller	Anita Largent
Dave White	Dean Kampfer	Ray Phelps
Tom Badrick	Loretta Pickerell	John Lucini
Lori Stole	Dave Garten	Susan Ziolk
Steve Schwab	Judy Crockett (for Bruce Walker)	Paul Edwards

Guests and Metro staff:

Janet Matthews	Chuck Geyer	Doug Drennan
Steve Apotheker	Paul Ehinger	Brad Botkin
Kevin Six	Marta McGuire	Michael Sievers
Roy Brower	Julie Cash	Dorothy Johnson
Karen Feher	Easton Cross	Jeff Gage
Lee Barrett	Pat Vernon	Jeanne Roy
Tom Chaimov	Kevin Downing	Gina Cubbon

I. Call to Order and Announcements Rod Park

- Councilor Rod Park opened the meeting, and announced that Mark Altenhofen will be leaving Washington County at the beginning of August. Mr. Altenhofen confirmed that he will be taking a job with SSI (a Wilsonville-based shredding systems company that also makes transfer station compactors).
- The Councilor announced that no SWAC meeting will be held in August, then asked for everyone present to introduce themselves.
- ORRA's Dave White moved to approve the minutes, and the City of Gresham's Matt Korot seconded the motion. Prior to vote, however, Waste Management's Dean Kampfer pointed out a mysterious typo on page two, wherein the letter "4" somehow was in the word "materials." "However," Mr. Kampfer stated, "I do want to compliment the author; I think [the document] was well-written and reads well, was clear and concise." The vote to approve the corrected minutes was approved unanimously.

II. Solid Waste & Recycling Director's Update.....Mike Hoglund

- Mike Hoglund told the group that in September, he'll present an update of FY 2004-05 accomplishments, such as how many customers used the Recycling Information Center's services, statistics about recycled paint sales and revenues, etc. He encouraged members to give the group a report on any of their companies' solid waste-related activities or accomplishments from the last fiscal year at the September meeting, as well.
- Regarding Columbia Environmental's ongoing application for a wet waste transfer station franchise and dry waste material recovery facility, Metro Council has been deliberating and asking for more information. The deadline for a decision is approaching, but Council has not yet taken a vote.

Staff has recommended against approval based on Metro Code criteria relating to rate-payer impact, the cost, accessibility to other transfer stations, and capacity. However, the Code allows Council to consider other factors, Mr. Hoglund explained. "Certain Councilors have identified a number of those, including diversity in the system – given the independent nature of the Columbia Environmental LLC; innovation in technology and recovery that they could bring to the system; there's a reduction in vehicle miles traveled by having another transfer station in the area, and there's room for another transfer station in the northeast wasteshed."

At the July 2nd work session, four Councilors indicated they were leaning towards approval of the application (with conditions). Three Councilors indicated they're currently opposed to the proposal, concurring with staff's recommendation. Staff has been given direction to prepare both approval and denial ordinances so Council can choose on which ordinance to vote. Reading of the ordinance for approval will be first read on September 8 (a formality to introduce it into the record – no testimony or comments). September 22, Mr. Hoglund said, "Council will deliberate both ordinances and potentially act on one or the other, or they could carry it over to September 29."

- The budget for FY 2005-06 has been approved with no major changes, Mr. Hoglund said. It was primarily a "hold-the-line" budget, so things will be very similar to the previous year.
- Council has, he said, approved \$250,000 in capital improvements for organics-related grants (generators, collection, haulers, etc.). Local governments are also eligible; applications won't have a deadline, but will be reviewed simply as they arrive. A 25% match is required; contact Jennifer Erickson for more information.
- Regarding the residential outreach campaign, Mr. Hoglund announced that \$150,000 is budgeted for Metro to work with local governments and haulers (primarily) on educating customers about curbside recycling. Local government representatives will meet with SW&R staff to discuss how best to do the campaign considering differences in jurisdictions' programs.
- Mr. Hoglund then updated the group about the Competitive Grant Program and the Year 16 Waste Reduction Program for local governments. "Staff has been

recommending that the competitive program diminish, because there aren't a lot of innovative programs that can be duplicated across a jurisdictional or business-type basis," he said. Councilor McLain disagrees, however, so more work will be done to look into how the Competitive Grant Program might be modified to be more successful. To that end, Lee Barrett will be putting together a committee to look into the matter. Meetings are anticipated to begin sometime in September.

- A \$1 million program, "Nature in Neighborhoods" has been funded through the Solid Waste Rate Stabilization fund, Mr. Hoglund said. Additionally, there is a Solid Waste budget note that gives up to \$400,000 for illegal dumping programs in habitat areas (subject to need and further analysis).
- Warren Johnson, of the Regulatory Affairs Division, is taking paternity leave to celebrate the birth of his first child. In his absence, Mr. Hoglund noted, Rob Smoot will be helping the division with inspections and other duties.

Councilor Park said he'd been asked to switch the next two items as listed on the agenda. Therefore, item IV was next, which Janet Matthews introduced:

IV. RSWMP Sustainability Goals: Work Group Report Dave White

Giving background to the piece, Ms. Matthews reviewed that in the Let's Talk Trash discussion guide, the question of how sustainability principals can guide solid waste practices was asked. Three options had been suggested for public comment: Status quo, "greening" the solid waste system, and implementing zero waste strategies. The majority of responses, Ms. Matthews continued, "indicated a desire to see the solid waste system become more 'green' in terms of emphasizing broader environmental protection and resource conservation practices."

A subcommittee of SWAC began meeting in March with the charge of defining sustainability as it relates to the solid waste system; map components of the system and determine where improvements could be made, and to develop goals that would move the system towards sustainability over the next ten years. Ms. Matthews described the solid waste system components to which the Sustainability Goals subcommittee's work was intended to apply, as "facilities and vehicles." This included processing, transfer, disposal, operations and administrative offices. Rolling stock, long-haul transfer, collection vehicles were also considered. "I'd like to emphasize," Ms. Matthews said, "that this group's work is pretty ground-breaking stuff."

Over the course of four months, Ms. Matthews continued, the Sustainability Goals group met nine times and worked through a lot of information and lively discussion. She thanked the members (Eric Merrill, Dave White, Tom Badrick, Jeff Murray, Lori Stole, Babe O'Sullivan, Wade Lange, and Mike Miller). Metro's Steve Apotheker provided invaluable information and support for the group.

Ms. Matthews introduced Dave White, who presented an overview of the group's recommendations. Full discussion with SWAC, Ms. Matthews noted, would take place at the September meeting, giving SWAC members time to consider the recommendations and formulate discussion points.

Mr. White began by joking, “I’ll bet none of you thought you’d be hearing about sustainability from me!” He noted that the group was originally scheduled to meet four or five times, but the issues were so large and varied, they kept meeting until as recently as two days prior to this meeting. It was a process of “blood, sweat and tears,” he said. There are issues that are still being grappled with, Mr. White continued, and they’ll spark good conversation at the September SWAC meeting.

One such issue is to decide on the width and breadth of sustainability within the RSWMP, Mr. White said. “Does it apply to generators? Collectors? Local governments? Metro? Non-Metro related facilities? Areas outside of Metro? And when we get into the framework, it could apply to the entire world.” He used the concept of “living wages” as an example, as well as preferences for local manufacturing – both ideas considered part of a wide-focus sustainability plan.

Sustainability is a long-term issue, but the RSWMP’s range is ten years at a time, Mr. White reminded the Committee, and that affects how the plan should be written. “Do you use terms like ‘reduce’ or ‘eliminate’? It may take longer than ten years to eliminate some of these things we’re talking about,” he noted. So the question becomes whether to use “eliminate” as a way of setting the stage for the future, or “reduce” knowing that some strides can be made in the next ten years. “How do we acknowledge the long-term planning and commitment needed in a sustainability plan and still fit within the ten year term of RSWMP?” he asked rhetorically. He explained other word-smithing dilemmas the group faced, such as would the phrase “where feasible” weaken the recommendations, or would not using the phrase open the door for regulation in situations where a change isn’t really feasible?

Another unanswered question is one of implementation. According to the current RSWMP, Mr. White said, “...Metro is specifically responsible for preparing, adopting, and enforcing the regional plan... Cities and counties have responsibility for designing and administering solid waste recycling collection programs for their jurisdictions. The activities,” he read, “must be compliant with all state and Metro legislation and solid waste plans, including RSWMP.” It’s a topic that will likely come up for each section of the RSWMP, he predicted.

For the sake of consistency, Mr. White said that the group decided to use the definition of “sustainability” used by the State of Oregon, and then briefly reviewed the four main frameworks discussed by the members: Natural Capitalism, Zero Waste, Triple Bottom Line, and Natural Step. He briefly outlined the strengths and weaknesses of each, and that the Natural Step was chosen as the foundation for the framework, reading its four system conditions. “We felt that [the Natural Step] had an effective training program... and it’s a good model for organizations.”

Next, Mr. White presented the recommendations of the Sustainability Goals group, as shown in the agenda packet, and noted some issues the Committee might think about between now and September’s meeting. To conclude, he mentioned “unfinished business” which he described as “clarifying the roles and responsibilities at the very local level, at the Metro level, at the generator level, the facility level. [Secondly] are the goals and objectives optional or mandatory? Do we just put this on the table and say ‘Here’s a great document: Go forth and do good...’ or is there more to it than that? And we need to develop the implementation plans and the timeline.”

Ms. Matthews commented that there'll be a lot for SWAC to discuss in September, and SWAC's input will then be taken to Metro Council, then Council's comments back to SWAC, etc.

Judy Crockett agreed that it's important "to figure out if [the Sustainability Chapter] has teeth and who does it apply to. For example, are we intending that all non-Metro-owned transfer stations be built to LEEDs standards? If we intend that, there would need to be some regulatory language behind it. I'd be interested in that discussion, because I think it has everything to do with whether this document has a usefulness in the future, or whether it's just sort of a nice effort that people make." Referring to Objective 1.2, "Reduce direct emissions of greenhouse gases from landfills and other facilities," Ms. Crockett noted that an excellent way to help achieve that is to eliminate food waste from landfills.

III. Disposal System Planning: Project ElementsPaul Ehinger

Councilor Park introduced this item, which is currently being discussed at Council work sessions. "It's very important to get this straight as we build the rest of the updated RSWMP." Paul Ehinger then took the floor, handing out information presented at the July 26 Council work session. Mr. Ehinger introduced himself, noting, "I'm the Engineering Manager for Solid Waste and Recycling. I spend a lot of my time crawling around in garbage compactors; this is one of the cleaner things I get to do."

Disposal System Planning is a component of the RSWMP, Mr. Ehinger explained. The objective of DSP "is to determine whether the needs of the transfer station part of the disposal system are being met in the most efficient and effective manner, and to recommend adjustments where the system can be improved. The primary emphasis of this Disposal System Planning," he noted, "has to do with how ownership of the system assets that are used for the disposal system affect the ability to provide service to the rate-payers of the region." The information his staff puts together will be combined with other information currently being developed. The final decision regarding Metro's ownership of its facilities and the structure of the system will be made by Metro Council, Mr. Ehinger explained.

The current RSWMP is written for a combination of public and private solid waste facility ownership. "Any change to that, as determined by our Council," Mr. Ehinger said, "would have to be documented in the new version of the RSWMP." He proceeded to give an outline of the methodology being used to determine the options and what related impacts could occur. A scenario-based methodology was chosen, using three different system scenarios: All private, all public, and the current mix. Mr. Hoglund appointed Mr. Ehinger project manager, and he is working closely with Chuck Geyer and Tom Chaimov. Additionally, there is a steering committee of four members of SW&R's management team, and Councilor Park is the Council liaison. Input will also be garnered, Mr. Ehinger explained, from various stakeholders, as shown in the handout.

"Most of the 'heavy lifting' on the project," Mr. Ehinger said, "will be done through the use of consultants." Two major consulting contracts are anticipated during the project, he continued. The first will be a "system consultant" to collect data on what the impact of changes to the system would be, what others have encountered in similar situations. The second contract is "more a Metro-focused issue," Mr. Ehinger explained. "If we're going to sell the facilities – take government-owned facilities and put them on the market, how

much are they worth?" A consultant will be contracted to estimate the value on the open market, using a "highest and best-use" analysis, to determine if the properties should be sold for their original purpose or for something else.

Many legal issues are involved, Mr. Ehinger said, including the issues of selling governmental assets and Metro's ability to appropriately regulate the system if the decision is to go strictly private. Additionally, contracts concerning Metro's transfer stations are still in place. The Office of Metro Attorney will advise on all this issues, and those concerning alternative scenarios, as well.

Rather than making plans for "a lot of big group meetings," Mr. Ehinger pointed out. Instead, staff plans to meet on an individual basis to stakeholders, and then to SWAC, MPAC and other groups. Staff wants to find out "What's important to you [as a stakeholder]? What factors do you think we should evaluate as we do this study?" he said by way of example. Mr. Hoglund has directed staff to try and answer every question and comment raised. "If you don't like looking at me," Mr. Ehinger joked, "I've got some bad news for you. I'll be here pretty frequently" to get feedback from this group. The work plan is being revised, but hopes are for a recommendation early in 2006.

When the floor was opened for questions, citizen member Dave Garten asked why the study is being done. "Is there a problem? Is someone else doing it better?" Councilor Park responded that industry representatives have concerns about Metro being both a regulator as well as a competitor in the solid waste system. Additionally, while there was a need for public facilities in the past, whether that need still exists is being looked at carefully, he said. Mr. White commented too, that the project has strong implications for the RSWMP, and that Metro bond obligations for its facilities will end in 2009.

Responding to a question from the City of Milwaukee's JoAnn Herrigel, Mr. Ehinger stated that the total budget (both consultant contracts) is between \$75,000-\$100,000. Councilor Park added that, while SW&R staff has the ability to do the work internally, using outside consultants should quell any question of bias.

Mr. Hoglund added that once a determination has been made as to Metro being in or out of the system as an operator, "there's a number of other questions Council has asked us to look into, such as tonnage caps, the next hauling contract [if needed], what's the best objective – it may be more oriented towards sustainability objectives..." Too, Mr. Ehinger said, it's not simply a matter of "whether we're in or out. [The study] will also provide us with a framework to find out how to best provide the [solid waste] services that are needed in the region. To some extent, ownership of the assets may impact the ability to deliver those services." In a broader planning context, he concluded, this study could prove invaluable.

V. Recovery Rate Cost / Benefit Model.....Lee Barrett and Tom Chaimov

Next up was the formerly-named "Recovery Rate Cost / Benefit Model," now known as the "Waste Reduction Program Comparison." Councilor Park reminded the group that there have been many Waste Reduction programs geared towards helping the region reach its state-mandated 62% recovery goal. This new project is meant to help prioritize potential new (and existing) programs, to see where the region wants to focus its efforts, the Councilor explained. Staff has developed a model that Council is very interested in, he continued. "There are elements of this model that we're interested in using in other things

that Metro does,” Councilor Park said, “[such as] transportation, perhaps in land-use, because it does allow a process to get at people’s values.” He introduced Lee Barrett, who elaborated further.

“I think this region, compared to the rest of the country, has excellent recovery programs,” Mr. Barrett said, including residential curbside programs, strong commercial programs, and a recovery rate that’s among the highest in the country. This has, however, put the region in the position of difficulty deciding, “exactly where we need to go from here,” he said, and that has really helped drive this project. After a request from Council to look into the costs, benefits, and trade-offs of the organics program, Mr. Barrett explained, “we developed – ‘we’ being Doug Anderson – developed a fairly simple pro-forma to take a look at the organics program.” From that, they realized that with some modifications, the same tool could be used to look at variables for other programs being considered.

“I would not call this a cost / benefit model,” Mr. Barrett cautioned. “This is not an instrument we’re going to spend \$200,000 on where we’ve done time and motion work, and we know what a particular program costs and we can very finitely define the value of this program versus another” he stated. Rather, it allows a number of programs to be compared on the basis of what stakeholders value most. “This instrument does not identify the best program,” Mr. Barrett continued, because the “best program” varies from stakeholder to stakeholder. Once stakeholder’s thoughts are gathered, staff will take the results to Council for their input, and narrow it down to a few programs that will be developed.

A facilitated group – largely SWAC members, Mr. Barrett told the group – will be put together to discuss from their own experience the cost of putting a program in place. This will include infrastructure costs, trucks, drivers, collection, the cost of local government regulation, etc. They won’t be looking at every cost detail, Mr. Barrett stressed, but will agree on approximates.

Mr. Barrett turned the presentation over to Tom Chaimov, who would demonstrate the actual model using some simple, everyday examples. Every time someone makes a decision, he explained, different factors are naturally weighed. For instance at the grocery store, he said, the biggest factors in buying items are usually price and flavor. “Some people may be influenced by the label, but that’s more a wine-purchase factor,” Mr. Chaimov quipped. Some people might buy a lesser product because of the cost; others will spend more to get more flavor. “Different people have different weights on that criteria,” he summed up. The tool staff developed for weighing programs “automates the process of coming up with your final score, but you have to lay out which things are more important – you have to assign a value,” Mr. Chaimov explained. He then demonstrated the model using a car-buying theme.

The criteria that used for the actual model will be system cost, tons recovered, environmental benefits, hierarchy (reduce, reuse, etc.), and acceptance (can the program be done, will the public support it, etc.), Mr. Chaimov revealed. A number of programs can all be weighed, including “status quo,” Mr. Barrett added. The variables are nearly limitless. Any stakeholder group or sub-group’s responses can be calculated.

SWAC members asked some questions of Mr. Barrett and Mr. Chaimov and discussed the tool. Audience member Jeanne Roy suggested another criterion that would look at the short versus long-term potential of programs. Far West Fiber’s Jeff Murray added that

recovery from “dirty” MRFs versus recovery potential from source-separation should also be looked at.

After further discussion of possible scenarios, Mr. Barrett said that most of the Councilors have looked at the tool and think it “has legs and should bear further examination.” It will be demonstrated at a work session on August 9. Councilor Park added, “This is a tool to help *inform* the decision, not to make the decision for us.” Mr. Kampfer commented that it seems to be a good tool, but results could vary greatly depending on how each criterion is weighed. Mr. Barrett agreed, but said the numbers can be tested – adjusted one way and another – to see how large a difference it makes.

Does the model look at price versus market capacity, guest Jeff Gage asked, and does it look at market development as it effects market price and capacity? Mr. Barrett replied no, but Mr. Chaimov disagreed. “This tool will consider whatever costs stakeholders tell us are important to consider,” he said. Mr. Hoglund reminded the group that the tool wouldn’t make the decisions, only help inform them in a new way. “If there are things that are missed in the model that are relevant, even on the cost side, those need to be noted and factored in so there can be full consideration.”

Mr. Huycke asked if the tool would be used beyond waste reduction programs. Mr. Barrett said the project is aimed at programs suggested by last year’s Contingency Plan Workgroup. “It’s going to be mandatory dry waste recovery, banning of various [construction and demolition] materials from disposal, mandatory business recycling, or banning various materials from disposal from the commercial sector, or simply an increased CTAP outreach program – education only... What we do with [the tool] afterward is up to whatever Council would want us to do,” he explained.

Mr. Barrett said he’s looking for 10 or 15 volunteer members for the sub-committee; he’ll contact SWAC members and a few other interested parties.

A common reaction when a tool such as this doesn’t provide the expected or perhaps desired results, Councilor Park cautioned, is to blame the tool. He emphasized again that the use of this tool will be not to make the decisions, but to inform the decisions.

VI. Other Business and AdjournRod Park

- Councilor Park announced that he would like to put together a task force to address policy issues raised by the Rate Review Committee. He referenced an attachment to the meeting agenda.
He’d like the group to be balanced and representative of the solid waste system, but also include “outsiders” who can bring their perspectives to the table. Issues to be addressed would include private facility economics, Metro stations’ operating hours, regulatory costs, local government rate-setting, and others.

The Councilor asked the SWAC for approval to form the task force.

The City of Gresham’s Matt Korot (representing East Multnomah County and cities), who is a current Rate Review Committee member, commented that other than the two members “who bring expertise from other utility fields, I don’t think other Rate Review Committee members should be on [the taskforce] because it’s a way to get some

different input.” In answer to questions at the bottom of the agenda item attachment, Mr. Korot stated that he feels Metro staff should chair the committee, and “I don’t think there should be [voting] representatives of the private transfer stations on a committee that is being charged with making recommendations that ultimately affect their own rates as well as Metro’s. I respect the individuals, but where you stand depends on where you sit,” he stressed. He suggested Rob Guttridge take part on the task force, “representing recycling advocates, because that’s an important perspective.” Concluding, Mr. Korot added that having sat on the Rate Review Committee, he thinks this taskforce would be a very useful.

In a dissenting opinion, WRI/Allied Waste’s Ray Phelps (representing disposal sites) said, “I disagree with Matt.”

Councilor Park said he understands Mr. Korot’s concerns, but “it’s my inclination to start with the Rate Review Committee because of the expertise that was generated.” He also said he wants to make sure the taskforce is balanced, and that while the taskforce will be a fact-finding endeavor, final decisions will rest with Metro Council. “We’re trying to get the information to feed back into the next Rate Review Committee.”

Other comments included Mr. Kampfer’s suggestion to make sure there’s at least one member from the general public; Tom Badrick said a business representative should take part, as well. “Businesses pay a lot in rates for solid waste disposal,” he said.

The issues to be considered are very important, Mr. White added, saying, “I’m more concerned about the policy implications of this. There’s been at least one Councilor who said that the Rate Review Committee really has no business getting into policy. In the last couple of years, that’s changed.” He asked if Council will “buy into” recommendations made by this task force. Councilor Park responded that that’s why he’s starting with members of the Rate Review Committee, because it’s a sub-committee of SWAC, and it is SWAC’s purview to advise the Council. Mr. Korot emphasized the importance of using this taskforce “as an opportunity to get some different input.”

Councilor Park asked for head-nods if the SWAC members are comfortable with this taskforce being formed. There were no further comments or objections.

- The Councilor asked members to consider agenda items they might like to discuss at future meetings. He thanked the attendees for their time, and adjourned the meeting at 12:13 pm.

**Next meeting:
Thursday, September 22, 2005
Room 370 A/B**

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Attachments

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