



METRO

600 NE Grand Ave.
Portland, OR 97232-2736

MINUTES OF THE METRO SOLID WASTE AND RECYCLING COMMITTEE (SWAC) MEETING

Metro Regional Center, Room 370A/B

Thursday, October 26, 2006

Members / Alternates Present:

Councilor Rod Park, Chair
Mike Hogle
Mike Leichner
Bruce Walker
Paul Edwards
Rick Winterhalter
Dave Garten
Dave White

JoAnn Herrigel
Ralph Gilbert
Ray Phelps
Glenn Zimmerman
Lori Stole
Dean Kampfer
Wade Lange
Wendy Fisher

Anita Largent
Mike Miller
Audrey O'Brien
Matt Korot
Theresa Koppang
Steve Schwab
John Lucini
Andy Kahut

Guests and Metro staff:

Janet Matthews
Barb Disser
Bryce Jacobson
Easton Cross
Paul Garrahan
Chris Garrett

Doug Drennen
Lee Barrett
Steve Kraten
Tom Chaimov
Brad Botkin
Paul Ehinger

Kevin Six
Julie Cash
Bill Metzler
Kathryn Sofich
Segeni Mungai

I. Call to Order and Announcements Councilor Park

- Councilor Rod Park convened the meeting at 10:05 a.m.
- A change to the minutes, requested by Clackamas County's Rick Winterhalter, was given to all the members. The minutes were approved unanimously with the change.

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

- Mr. Hogle reported a busy month for Regulatory Affairs. East County Recycling paid a fine of \$74,000 resulting from over-claiming System Fee and Excise Tax credits. Mr. Hogle noted that the media had approached Metro about the incident, and so Metro put out a press release in order to be fair to all media outlets. This will likely be used as a precedent for getting information out regarding "significant fines like this in the future."
- A settlement has been reached with the owner of the land where Urban Vision Corp. resides. Two notices of violations and penalties (\$16,500) have been levied against Urban Vision for illegal MRFin and denial of access to conduct inspections. The landowner has agreed to give Metro inspectors access, so an agreement has been reached with him. No agreement has yet been reached with Urban Vision, which leases the property; its illegal MRFin operations are causing leachate leakage into the Columbia Slough.
- Metro, the Multnomah County Sheriff's office and inmate work crews, the Portland Fire Bureau, and diver teams from Multnomah and Clackamas counties joined in a cleanup on the Columbia River on October 19. The cleanup, north of the Portland International Airport, yielded nearly 150 tires, 8 cubic

yards of metal debris, and two vehicles. Nearly 200 chemical drums remain, Metro will work with DEQ and the Coast Guard for their removal in the new year.

- Regarding Nature in Neighborhoods, the Clackamas Review featured a story about one of the grants recently. The project removed 5 tons of waste from the Three Creeks area of Clackamas County which has a history of transient camps. The grant will also provide funding for patrols, removal of invasive species, and various other work that will help sustain the sensitive watershed area. Waste Management donated some equipment and drivers to the cleanup.

III. Pumping up Dry Waste Recovery, Part II Lee Barrett

Councilor Park introduced this agenda item, and noted that while good progress was being made, the issue was not ready to be voted on. Mr. Hoglund added that staff's goal is to make further progress on some elements that have come up. Decisions still need to be made about whether the material recovery performance standard set should be on dry tonnage received ("front door") or residual ("back door"), what percentage the standard should be, costs and assumptions about effect on tip fees, and equitability. Further discussion will be needed on the implications for landfills in Washington County, and implementation.

Waste Reduction & Outreach Division Manager Lee Barrett reviewed the purpose of this project, including to reach the 2009 recovery goal. This program is projected to garner an additional 30,000 tons of dry waste, as well as provide substantial environmental benefits. He explained some rationale for possibly switching from front door measurement, to residual / back door measurement. This would help determine how much recoverable material is still being landfilled. Some residual sampling has been done at Metro South, Waste Management's Troutdale facility, and further samples will be sought at some area MRFs, Mr. Barrett continued. "We think that a 15% back door (residual) is the equivalent of a 25% front door minimum requirement." If they find differently, that number will be adjusted.

East County Recycling's Ralph Gilbert asked if any waste surveys have been done. Mr. Barrett replied that the DEQ did such a survey in 2005, taking 70 samples from WMO Troutdale, Wastech, ECR, and WRI. Engineering & Environmental Services' Paul Ehinger added that in loads going to MRFs, the aggregate of all desired materials (wood, metal, cardboard) as 35.9%

Dean Kampfer of Waste Management commented that the back vs front door issue is quite relevant. His company has done its own residual sampling and feels that 22% should be an acceptable standard. To recover smaller pieces, extra staffing would be necessary to spread the waste out wider or do a picking line, he pointed out. 15% is achievable, but it would take a substantial amount of extra effort.

WRI / Allied's Ray Phelps said there is no relationship between front and back door figures. Measure one or the other, he continued, but don't look for a relationship. While he prefers the back door idea, he echoed Mr. Kampfer's assertion that recovering more will be expensive. Mr. Gilbert said he would be comfortable with the back door approach, as well.

In further discussion, Mr. Kampfer clarified that using the residual approach would actually allow facilities to accept some loads they currently try to avoid, such as a load of tennis shoes (an example from Clackamas County's Rick Winterhalter). The problem, Mr. Barrett explained, is that the more loads accepted at a facility with zero recoverables, the easier it would be "for the stuff you missed to be less than 15% of the total you're throwing away."

Mr. Barrett introduced Tom Chaimov of the Financial Management & Analysis Division, who presented MRF statistics (2001-2005, averaged). Mr. Chaimov handed out material regarding the economic impacts of the program (attached). As staff sees it, he said, the main impact will be an increase in the tip fees charged at MRFs. While it costs a certain amount of money to process a ton of waste, a facility may not wish to charge customers that for fear of losing them to a less-expensive disposal option. However, this tonnage can be subsidized with wet waste or system fee credits. "If low cost landfill disposal ceases to be an option, then those material recovery facilities are apt to be able to raise their tip fee closer to the actual cost to do the work," Mr. Chaimov explained. Staff modeled its analysis as shown on the handout.

Mr. Chaimov briefly explained the piece, and took questions / comments. Mr. Drennan felt that customers may take their waste to Metro transfer stations because it's less expensive. Mr. Kampfer added that the numbers presented wouldn't work for his company. The City of Gresham's Matt Korot suggested the group not "shy away" from policy decisions that may cost money or negatively affect one facility. "In the absence of a policy direction from the citizens of Oregon, I think the integrated companies would be recovering scrap metal, maybe, and nothing else," he added. While local governments are trying to be cooperative with their private industry partners, Mr. Korot noted that in the larger picture, "A ton of recyclables puts a lot more money into the economy than a ton of materials going to the landfill."

Next up, Mr. Ehinger made a PowerPoint presentation (attached) regarding the concept of an equal playing field between Metro and private facilities. "I'm here to tell you that [the two Metro facilities] are different," he said. "We handle two separate and distinct dry waste streams at our two facilities. One is the self-haul waste stream, which has dramatically different characteristics when it comes to how we receive the waste, and the operational techniques that we have to use to deal with the waste." Mr. Ehinger added that "we" included Allied Waste, the operations contract holder for the two sites.

Because of the difference in the waste streams, and the policy of being the stations of last resort for the public (therefore unable to turn away loads that private facilities might), staff is not confident Metro South and Metro Central could achieve a 15% back door standard, Mr. Ehinger said. However, every effort will be made to meet the same standards as other facilities. If need be, Metro could end its current contract and look at other options.

Mr. Kampfer felt that Mr. Ehinger's presentation had several operational issues unrelated to recovery. If private companies build facilities that will take self-haul, the costs would be substantially higher. Mr. Ehinger replied that it's a similar type of issue to one mentioned earlier, having to spread the waste out to look for recoverables.

In the Rate Policy Committee that met earlier this year, the idea of self-haul was presented as a "right," Councilor Park commented. That committee's members felt that while it should be allowed, it should not be subsidized. Perhaps that idea needs to be raised again, the Councilor continued, "and perhaps [self-haul] should be pushed back more into the franchise system."

Dave White of ORRA suggested that it appears self-haul is detrimental to the recovery goal.

Finishing up the agenda item, Mr. Barrett presented a revised timeline for the project and related MRF Standards project (attached).

In final remarks on the subject, Mr. Kampfer said that Waste Management requests 24 months after the MRF standards are effective to build their facility. Mr. Phelps urged that the current credits program shouldn't be terminated until all existing facilities are compliant.

IV. RSWMP Guiding Direction.....Janet Matthews

Janet Matthews used a PowerPoint presentation (attached) to explain what the term "guiding direction" means regarding the revised Regional Solid Waste Management Plan (RSWMP). She asked the group to consider how they want the regional solid waste system perform, showing the System Performance Goal from the current RSWMP, she asked if those characteristics were reasonable and still durable for the years ahead.

Dave Garten commented that the benefits are inherent. Additionally, he said, regarding technological feasibility, that Metro has a role as early users / implementers , helping to kick-start innovative ideas. JoAnn Herrigel of the City of Milwaukie would like language added to indicate continual evolution and improvement as the initial goals are met.

Mr. White prefers to think of RSWMP as a guiding document, not a mandate, he said. It should be a partnership with local elected officials, who would be guided but not controlled by it. DEQ's Audrey O'Brien responded that this has been discussed before, and that DEQ is comfortable with the RSWMP setting the recycling service standard for the region. Within those boundaries, she assured, both DEQ and Metro will work with local governments when they want to try a different way.

Wrapping up, Ms. Matthews said that prior to the next SWAC, Council will be asked to discuss the system performance goal and other disposal system issues. Direction from Council will be brought back to SWAC.

She presented a SWAC schedule for November and December to get through the guiding direction work, while working around the holidays: meeting times were subject to meeting room availability, Ms. Matthews added:

- November 16 – 2:00 pm-4:00 pm
- November 30 – 10:00 am-12 noon
- December 12 – 2:00 pm-4:00 pm

V. Other business..... Councilor Park

With no other business forthcoming, Councilor Park adjourned the meeting at 11:58 a.m.
Prepared by:

Gina Cubbon
Administrative Secretary
Metro Solid Waste & Recycling Department

gbc
Attachments
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Queue

Excerpt from SWAC meeting of October 26, 2006
Agenda Item III, “Pumping Up Dry Waste Recovery”
Discussion of the enhanced dry waste recovery project (EDWRP)

Matt Korot, City of Gresham:

“Is there sufficient capacity to process all these dry loads if one of the facilities we’re talking about isn’t going to be in? Partly I ask that because recycling in Oregon has historically been policy-driven, and the markets have gone around it.

In the absence of a policy direction from the citizens of Oregon, I think the integrated companies would be recovering scrap metal, maybe, and nothing else. So I don’t think we should shy away from policy decisions that have costs associated with them; I don’t think we should shy away from policy decisions that may impact one facility more than the other depending on the circumstances.

I think we’re very sensitive to our partners from the facilities here, but we’re trying to achieve a policy goal that we have, in part, and we’re also trying to achieve a policy goal that has economic impacts – positive ones, besides what’s on this paper. A ton of recyclables puts a lot more money into the economy than a ton of materials going to the landfill.

So, I think – from my perspective – I’d like to know a bit more about the parameters. What’s going to make this approach fair? Is it that none of the facilities can invest, then what are our options to cover that material? But let’s not just be intimidated by the fact that this appears to cost some money. Make a sound policy decision based on that knowledge.”



RSWMP Update

*Solid Waste Advisory Committee
October 26, 2006*



**Goal: establish guiding
direction for**

- The solid waste system
- Facilities and services
- Rates and revenue



What is “guiding direction”?

- Plan Vision
- Regional Values
- **Policies – high-level guidance for determining decisions and courses of action**
- **Goals – broad aspirations**
- **Objectives – specific items to accomplish goals**



Who is guided?

Implementers of the RSWMP

- Metro (staff and electeds)
- Local govt. (staff and electeds)



Starting point today:

- Discuss the characteristics of optimal solid waste system performance.

Future meetings:

- Determine the guiding direction to maintaining and/or achieve that optimal system.



What is meant by “Solid Waste System”?

- Collection
- Processing
- Disposal



Today's discussion:

How should the regional solid waste system perform?



Metro Council Values for the Disposal System

Protect public investment	Ensure participants pay fees and taxes
Ensure environmentally sustainable performance	Preserve public access to disposal options
Ensure equitable distribution of disposal options	Maintain general fund source for Metro govt.
Ensure reasonable rates	



System Performance (from current RSWMP)

- Environmentally sound
- Regionally balanced
- Cost effective
- Adaptable to change
- Technologically feasible
- Acceptable to the public



“Environmentally Sound”

- ✓ Goals for sustainable operations
- Policies that apply fees & taxes to encourage material recovery
- Goal of facility regulatory standards



Regionally Balanced

- Policy on market entry
- Goal on access to services
- Policy on zoning



Cost Effective

- Policy on user charges being related to services received
- Goal of predictable rate adjustments



Adaptable to Change

- Policy on ensuring that capacity accommodates growth
- Goal of facility operations and/or facility regulation



Technologically Feasible

- Goal to encourage innovation
- Goal of facility regulation



Acceptable to the Public

- Policy on access to (and level of?) public services at facilities
- Policy on enhancement fees for host communities



System Performance Goals

- Environmentally sound
- Regionally balanced
- Cost effective
- Adaptable to change
- Technologically feasible
- Acceptable to the public



Council Discussions

When:

November 14th

December 5th

What:

System performance

Public services

Market entry

Waste allocation

Rates and revenue



SWAC Schedule in Nov. & Dec.

- November 16th, 2 to 4
- November 30th, 10 to noon
- December 12th, 2 to 4
- **December 19th???? 2 to 4**