

**SOLID WASTE ADVISORY COMMITTEE  
MEETING SUMMARY OF: June 19, 1996**

**Voting Members Present**

Committee Chair: Ruth McFarland, Metro Councilor  
Hauling Industry: David White, Oregon Refuse & Recycling Assoc./Tri-County Council  
Solid Waste Facilities: Ralph Gilbert, East County Recycling  
Citizens: Jeanne Roy, Recycling Advocates  
Merle Irvine, United Disposal  
Government: Lynne Storz, Washington County  
Susan Keil, City of Portland

**Alternate Members Present**

Recycling Industry: Jeff Murray, Farwest Fibers  
Solid Waste Facilities: Eric Merrill, Waste Management of Oregon

**Non-Voting Members Present**

Government: Dave Kunz, DEQ  
Carol Devenir, Clark County  
Mike Burton, Metro

**Voting Members Absent**

Hauling Industry: Jim Cozzetto, Jr., Metropolitan Dieposal & Recycling Corp.  
Steve Schwab, Sunset Garbage Collection Company  
Tom Miller, Miller's Sanitary Service Inc.  
Recycling Industry: John Drew, Far West Fibers  
Citizens: Bruce Broussard, Cad Tek  
Government: Ken Spiegle, Clackamas County  
Gary Hansen, Multnomah County Commissioner  
Bob Kincaid, Clackamas County Cities  
Debra Noah, Multnomah County Cities  
Loreen Mills, Washington County Cities  
Citizens: Bruce Broussard

**Metro**

Marie Nelson  
Kelly Shafer Hossaini  
Connie Kinney  
Keith Massie  
Chuck Geyer  
Leo Kenyon  
P&TS/SWAC/minutes/present.lst

Doug Anderson	Andy Sloop
Scott Klag	Jim Goddard
Tim Raphael	Jim Watkins
Bill Metzler	Jennifer Ness
John Foseid	Jeff Stone
John Houser	Barry Adamson

## **1. Updates and Introductions**

### **Illegal Disposal Task Force**

Marie Nelson, Supervisor, Planning Services, briefed the Committee on the purpose and current focus of the Illegal Disposal Task Force. She said the purpose of the Task Force is to develop goals, objectives, and recommended practices for illegal disposal, as well as to address the specific recommendations of Metro's auditor in the February 1996 Review of Metro's Solid Waste Enforcement Unit. She said the Task Force will address items of regional concern that can benefit from regional coordination. The Task Force will not address Metro's enforcement of its solid waste flow regulations or theft of recyclables.

Currently, the Task Force is examining the development and coordination of a regional data base on dump sites and offenders, and the possibility of a regional hotline.

Dave Kunz said that because some of the counties enforce illegal dumping through their health departments, a goal or objective should be developed for that. He also said that, internally, DEQ is working to develop objectives for when they will enforce on illegal dumping cases and when they will turn it over to local jurisdictions.

### **Rate Restructure Process**

Jim Goddard, Acting Manager, Waste Reduction & Planning Services, reminded the Committee that rate restructuring meetings for stakeholders were held in April 1996. He said that the stakeholder meetings scheduled for June 25, 1996 have been canceled, but will be rescheduled for July 1996. He explained that many questions were raised at the April meetings and staff will require more time to answer them. He said participants will be contacted as to when the meetings will be, and background information will be sent in advance.

## **2. Approval of Minutes**

Dave Kunz asked that the minutes be changed to reflect that he was present at the May 1996 meeting, and Ed Drubeck was not. Carol Devenir also asked that the minutes be changed to show her affiliation with Clark County and not the Port of Portland. Sue Keil moved that the minutes be approved with the changes as stated, and the Committee unanimously approved.

## **3. Material Recovery Facilities (MRFs) - Franchise Process**

Andy Sloop, Associate Planner, Recycling System Development, briefed the Committee on the status of the MRF franchise template, and distributed written materials. He said the template would be presented to REMCOM that afternoon, and that anyone who would like to attend that meeting to talk about the template

was welcome to do so. Mr. Sloop then reviewed changes that had been made to the template since the June 12, 1996, MRF Team meeting, which was attended by several SWAC members.

Merle Irvine said that he was still concerned about the placement of the operating range (35% - 45%) on the recovery rate curve. He also was concerned about there being a penalty, or enforcement fee as it is called in the template, for recovery rates between 35% and 45%. He said it seemed inconsistent to be in compliance yet pay a penalty. According to his calculations, the enforcement fee at the 35% recovery level could cost the average MRF about \$7,800 a month. This could force the operator to avoid loads in the lower range of recoverability and thus not recover as much as they could from the wastestream.

Councilor McFarland responded that one promise Metro did make when beginning the MRF franchise work, was that there would be a level playing field for existing and new franchises. She said that Metro could not make existing facilities special cases by not applying the rules to them.

Mr. Irvine responded that his point was not that existing facilities should not be subject to the new franchise rules on recovery rates, but that no facilities should. He suggested that Metro should take a hard look at whether it really wants to impose an administrative fee or penalty at all. If you're operating within your permit you shouldn't be hit with a penalty.

Sue Keil asked if anyone at Metro had run the numbers to see if it was not advantageous to take waste at the 35% recovery rate level because of the administrative fee. Jeff Stone, Senior Management Analyst, responded that the answer would depend on the particulars of the operation. In general, however, taking waste at 35% and paying the administrative fee works out to be the same as paying a tipping fee of \$75.

Ralph Gilbert asked what the administrative fee applies to. Mr. Sloop responded that it applies only to the residue. Mr. Gilbert said that in his case he would have a very difficult time maintaining a 40% recovery rate since he has no control over what comes into his facility. He said he also does not want to have to turn away loads from which he could recover some percentage for fear he'll not meet the imposed recovery rate. Jim Watkins, Manager of Engineering and Analysis, said that one reason incentives are needed to keep recovery rates at a certain level, is to discourage MRFs that are associated with a limited purpose landfill from just taking low-recoverable, dry loads and transferring them directly to the limited purpose landfill.

Councilor McFarland asked if staff could revisit the operating range issue. Mr. Goddard replied that it is really a policy issue, and REMCOM might want to debate it. He said it may need to be debated as a stand-alone issue, separate from the rest of the template. As it stands, the template maintains a level playing field and changes to the operating range should preserve this.

Ms. Keil asked if there really needed to be a level playing field if some MRFs will have ties to landfills and others won't. Those with ties to a landfill already have an advantage over those that don't. Maybe that issue needs to be dealt with separately and in another way, since that is really at the heart of what the recovery rate is trying to guard against. Councilor McFarland acknowledged that as a good point, and added that MRFs associated with hauling companies would fall into the same category of having an advantage.

Mr. Sloop pointed out that work on MRF franchising needs to occur as quickly as possible. Until this work is completed, franchise applicants incur opportunity costs, and existing MRFs incur penalties for operating below 45%. However, Mr. Sloop said progress on MRF applications and franchising issues is constrained due to limited staff resources.

Councilor McFarland reiterated that in the interest of not holding up franchise applications, further work on the operating range issue should be handled separately from work on pending applications. She also said that any changes to the operating range should be applied globally to all franchisees.

#### **4. Metro Transfer Stations - Operations Contracts**

Jim Watkins, Manager of Engineering and Analysis, updated the Committee on the project schedule for the Metro transfer stations operations contracts. He said that staff had prepared a draft of the RFP for the contracts and that vendor review would take place in approximately late July or early August. He said he would also see that the Committee members received a copy, as well. He then gave a brief overview of the document.

After the overview, Mr. Watkins said he wanted to bring before the Committee for discussion several policy issues associated with the operations contracts. The policy issues were listed in the material included in the agenda packet.

- Vertical Integration

1. Should Metro prohibit operation of Metro transfer stations by firms involved in the solid waste collection industry locally?

The Committee agreed that this would not be a problem as long as Metro either operated the gate or had serious, enforceable regulations in effect to ensure against bad practices.

2. Should Metro prohibit operation of Metro transfer stations by firms involved in solid waste disposal of the region's waste?

The Committee agreed that the answer to the previous question applied to question as well.

3. Should Metro consider the above prohibitions for a single entity operating both transfer stations, even though it would not do so if different firms operated the two stations?

The Committee agreed that the answer to question one applied to this question as well.

- **Materials Recovery**

1. Should the same incentive for materials recovery be provided regardless of the end use of the recovered materials?

Jeanne Roy said her position would be that the same incentive should not be applied. Incentives should be different depending on where the recovery was on the hierarchy - higher uses should get higher incentives.

Carol Devenir added that the incentive could also be made to be material specific. If the material was motor oil, for example, there's only one place on the hierarchy for it so operators shouldn't be penalized for not doing something higher on the hierarchy with it.

Councilor McFarland said that the consensus seemed to be that it is important to recognize the hierarchy, but in a way that is sensible and not foolish.

Dave White expressed concern about the impact of reducing the incentive for recovering materials for uses lower on the hierarchy. If that incentive is reduced, and the cost to do anything further up the hierarchy is high enough, the operator may not bother doing anything with them. The materials will then just end up in the landfill. Councilor McFarland agreed that that issue needed to be explored. There are instances where the hierarchy can be met, but the cost may be too high. That is something everyone is going to have to think through as a policy question. Jeff Murray agreed and said that in another year or two there may not be much that is recoverable going through the transfer stations, and fiber-based fuel may be the most cost-effective alternative for certain materials.

2. Should the materials recovery incentives be standardized at both stations?

Councilor McFarland asked why the recovery incentives are not the same now. Easton Cross responded that the reason is because Metro South is configured differently and does not have the same capacity for recovery that Metro Central does. Councilor McFarland said she believed the incentives should be the same. If the operator can manage to recover some material at Metro South, they should be rewarded for it.

Eric Merrill said that if the two facilities are identical, then the incentives can be the same. But the facilities are not identical so identical incentives may not be possible.

3. Should a mandatory recovery rate be stipulated in the next operating contracts?

Sue Keil asked if Metro has enough knowledge about the impact of MRFs to be able to set such a rate? Mr. Watkins said that Metro probably doesn't know. Councilor McFarland agreed, and said that maybe this potential part of the contract should be left out until there's more information about what rate would be reasonable.

Jeanne Roy asked how reusables will be handled at the transfer stations. The contract says that Metro reserves the right to negotiate with the subcontractor to recover reusables. She asked if this is occurring now, and if so, how? Mr. Watkins responded that it is occurring now. He explained that St. Vincent DePaul is working on a contract to help self-haul customers pull reusables from their loads. The reusables are then taken to St. Vincent DePaul facilities and recovered.

Mr. Irvine asked if having another contractor on-site pulling out material causes any conflicts with the site operator. Mr. Watkins said that it could, it just has to be worked out. Ms. Roy then said she wanted to say she supported the idea of this arrangement.

- **Wages and Benefits**

1. Should Metro specify some minimum wage and benefit levels in the RFP?

The general consensus of the Committee was that standards be set for service levels, but that specifics of worker wages and benefits should not be addressed in the contract.

Due to a lack of time, the policy areas of "Dry Waste" and "Evaluation Criteria" were not addressed by the group.

## **5. Organic Waste Processing - Demonstration Projects**

John Foseid, Associate Solid Waste Planner, told the group that due to Jim Goddard's new role as Acting Manager of Waste Reduction & Planning Services, he had been asked to take over as team leader. He said that the project team was currently in Phase II of the project, where they are evaluating proposals they have received. No formal contract awards have been made at this time. There is a public forum scheduled for July 9, 1996, and project staff hopes that contracts will be signed in early August.

Mr. Foseid said two proposals were received and the project team is strongly considering awarding contracts to both proposers. The first proposal is from Oregon Waste Systems. They would like to take loads from businesses, reload them at Metro South, and compost the material at Columbia Ridge Landfill. The other proposal is from Oregon Soils Corporation, which proposed to team up with a hauler and an EarthWise certified composter and use the vermiculture technique to process the organic waste collected.

Jeanne Roy expressed her disappointment that only two proposals came through in the second phase of the proposal process. She asked if perhaps the paperwork for the application was too voluminous and inhibited more response. Mr. Foseid replied that if the application process were to be done over, some changes would probably be made. However, Metro did solicit from a broad range of applications.

Dave Kunz said that there have recently been two applicants for DEQ permits to do organics processing. Neither of these applicants applied for the Metro funding. So there are others that are interested in starting such businesses here, but are choosing to do it independently.

Carol Devenir asked if the two proposers were comparable in terms of tonnage they planned to process. Mr. Foseid responded that they would each divert 1,000 tons over the course of the project.

#### **6. Discuss Tentative Meeting Agenda for July 17**

Councilor McFarland asked Committee members to contact Marie Nelson about any items they would like to see on the July agenda.

#### **7. Other Business/Citizen Communications**

None

#### **8. Adjourn**

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