BEFORE THE COUNCIL OF THE METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF APPROVING)	RESOLUTION NO. 92-1569
PROJECTS FOR THE ONE PERCENT FOR)	•
RECYCLING PROGRAM 1991-92 FISCAL YEAR)	Introduced by Rena Cusma,
)	Executive Officer

WHEREAS, A One Percent for Recycling Program was established by Ordinance No. 88-250B on July 14, 1988, to foster implementation of innovative recycling projects and programs; and

WHEREAS, An Advisory Committee was created to develop criteria and guidelines for the One Percent for Recycling Program; and

WHEREAS, Recommended criteria, guidelines and a Request for Applications were adopted by the Council of the Metropolitan Service District on October 24, 1991; and

WHEREAS, The Advisory Committee received and evaluated 28 proposals and interviewed 9 proposers; and

WHEREAS, The Advisory Committee has recommended 7 projects to be funded during this funding cycle; and

WHEREAS, Two hundred twenty-five thousand dollars (\$225,000) for recycling projects is available this fiscal year to fund projects; and

WHEREAS, The resolution was submitted to the Executive Officer for consideration and was forwarded to the Council for approval; now therefore,

BE IT RESOLVED, That the Council of the Metropolitan Service District, as provided in Section 5.04.050 (a) of the Metro Code, approves the projects recommended by the One Percent for Recycling Committee as shown in Attachment A.

ADOPTED by the Council of the Metropolitan Service District this <u>27th</u>day of <u>February</u>, 1992.

Jim/Gardner, Presiding Officer

JM:ay February 10, 1992 MAND\1PCT\921569.RES

SOLID WASTE COMMITTEE REPORT

CONSIDERATION OF RESOLUTION NO. 92-1569, FOR THE PURPOSE OF APPROVING PROJECTS FOR THE ONE PERCENT FOR RECYCLING PROGRAM 1991-92 FISCAL YEAR

Date: February 19, 1992 Presented by: Councilor McLain

<u>Committee Recommendation:</u> At the February 18 meeting, the Committee voted unanimously to recommend Council adoption of Resolution No. 92-1569. Voting in favor: Councilors Buchanan, Hansen, McFarland, Van Bergen and Wyers.

Committee Issues/Discussion: Judith Mandt, Solid Waste Department, reviewed the history of the One Percent Program, noting that the program is intended to fund innovative programs related to recycling and waste reduction. A citizens committee that is chaired by a Councilor provides oversight for the program and reviews and makes recommendations concerning the funding of various proposed projects.

This is the fourth funding cycle under the program. Approximately \$225,000 was allocated this year. The committee chose to retain a contingency balance of \$5,000 in case any of this year's projects should require small amounts of additional funding.

Mandt provided a chronology of the committee's work related to this year's projects including the development of an evaluation process, solicitation of proposed projects and the review and selection of the projects proposed for funding. A total of 28 proposals were received and seven are being recommended for funding.

Members of the One Percent Committee presented each of the recommended projects (note: a full description of each project is provided in the staff report and Council staff analysis).

Project #1 -- Environmental Learning Center and Environmental Plastics --\$44,350. The project would facilitate production of composite lumber using recycled plastics. Councilor McFarland noted that Environmental Plastics had received a prior 1% grant and asked about policy relating to the awarding of multiple grants to the same recipient. Mandt noted that the committee members use a "blind" evaluation process to focus the evaluation on the technical merits of a proposal. The identity of the proposer is not known to the evaluators. Thus, the receipt of multiple grants is possible, but it is based on the merits of the proposal. Mandt noted that this project is particularly important because it will provide composite lumber that meets the specific needs of local contractors. Non-spec composite lumber is currently available from Eastern manufacturers, but it frequently does not meet specific local needs.

Project #2 -- Gale & Associates -- \$10,000. The project will develop a program for the recycling of textbooks and magazines from schools and libraries in Washington County. Councilor Van Bergen asked about the demand for this type of recycled material. Wilbert Randall, One Percent Committee Member, indicated that demand for such material is high.

Project #3 -- Gale & Associates -- \$21,000. The project will provide assistance in the marketing, location of test sites, and evaluation of the potential for a new "wood string" product to be manufactured from ground yard debris.

Project #4 -- David Brook and Jeanne Roy -- \$27,000. The project will develop an education and training program to establish a master recycler program. Councilor McFarland asked how this project would relate to this year's emphasis on funding recycling market development projects. Karen Griffin, One Percent Committee member, responded that increased consumer education related to recycling will increase demand for recycled products. Councilor Van Bergen asked how the effectiveness or value of education programs such as this can be measured. Griffen responded that such value is difficult to assess, but that this particular project would conduct surveys in an effort to measure its effectiveness.

Project #5 -- Palermini & Associates -- \$19,400. The project will establish an education and informational program to encourage the purchase of recycled building materials. Councilor Hansen asked how individuals would find out about the program. Forest Soth, One Percent Committee member, responded that workshops would be held to inform the public about the program.

Project #6 -- Russell Plaeger -- \$19,800. The project would develop an informational network to encourage schools and community groups to sell recycled paper products as fundraising events.

Project #7 -- Sunflower Recycling Cooperative -- \$77,700. The project would partially fund the purchase of equipment related to creating a recycling program for green wine bottles. Councilor McFarland asked about the source of the bottles for the program. Mandt noted that they would come from other recyclers, restaurants and bars and possibly from the major entertainment facilities operated by the MERC.



METRO

Memorandum

2000 S.W. First Avenue Portland, OR 97201-5398 503/221-1646

To: Solid Waste Committee Members

From: John Houser, Council Analyst

Date: February 11, 1992

Re: Resolution No. 92-1569, For the Purpose of Approving Projects

For the One Percent For Recycling Program 1991-92 Fiscal Year

Resolution No. 92-1569 is scheduled to be considered by the committee at the February 18 meeting.

Background

The resolution provides for Council approval of seven projects to receive funding from the 1% For Recycling Program for the current funding cycle. These projects are being recommended by the 1% For Recycling Committee following an extensive evaluation of 28 proposals that were submitted for consideration. A total of \$225,000 was appropriated to fund projects during the current fiscal year. The total allocated to the seven proposed projects is \$219,250.

Issues_and Questions

The committee may wish to consider the following issues and questions related the proposed projects:

Project #1 -- Environmental Learning Center and Environmental Plastics -- \$44,350

The project would increase the ability of Environmental Plastics to produce composite lumber using post-consumer plastics. The grant would be used to purchase and install equipment to allow the firm to produce lumber to the specifications needed by local purchasers. Possible uses would include landscaping, park development and trail construction.

- 1) It appears that this is the second 1% grant received by Environmental Plastics for equipment-related purchases. Have others received multiple grants? Did the committee receive some assurances that the firm is adequately capitalized to expand its operations?
- 2) This year's 1% program is targetting recycling material market development through either new products, manufacturing processes or purchasing programs. It would appear that the grant will give Environmental Plastics the opportunity to provide existing types of

products using existing types of manufacturing processes in the local marketplace. Is this really a new technology or product that will be produced?

- 3) It would appear that similar products using similar technologies are being successfully manufactured in other parts of the country. Did the proposer offer any evidence that they are unable to obtain financing from other public or private sources?
- 4) The staff references the development of a product testing capability by the proposer, noting that such testing is not done. Will the grant fund any activities related to product testing? What evidence is there at no other manufacturers have developed testing programs?

Project #2 -- Gale & Associates -- \$10,000

This project proposes to establish a network to encourage the recycling of surplus textbooks and magazines at schools and community libraries in Washington County. The proposed "Recycle by the Book" program would address the recycling of an estimated 105 tons of material produced each year.

- 1) The staff report notes that "the necessary arrangements between collection, processing and markets were in place." If this is the case, then what is the purpose of the proposed grant?
- 2) In light of the large number of schools and libraries involved in the project were alternative funding sources explored for the project?
- 3) What evidence was submitted that would indicate that the program would continue following the expiration of the 1% grant?

Project #3 -- Gale and Associates -- \$21,000

This project would involve funding for the development and testing of a new product from ground yard debris. The product would be a wood "string" about 3" long and 1/2" wide. Potential uses would include embankments, animal bedding, temporary roads and playground equipment areas.

1) This is the second grant received by Gale & Associates. Is there a precedent for giving multiple grants to the same source during the same funding cycle?

Project #4 -- David Brook and Jeanne Roy -- \$27,000

The grant would fund staff and material costs related to education and training to establish a master recycler program for the region. Persons trained under the program would "pay back" to cost of their training by engaging in community education activities related to recycling and waste reduction.

- 1) How does this project relate to this year's emphasis on development of markets for recycled materials?
- 2) How would the program be administered following the expiration of the 1% grant?
- 3) Are there other sources for this type of education or training?

Project #5 -- Palermini & Associates -- \$19,400

This grant would fund the development of an education and informational program to encourage the purchase of recycled building materials.

No issues or questions.

Project #6 -- Russell Plaeger -- \$19,800

The grant would fund the development of an informational network to encourage schools and community groups to sell recycled paper products as fundraising projects. The project also would have a side benefit of educating children and others concerning the availability and uses of recycled paper products.

No issues or questions.

Project #7 -- Sunflower Recycling Cooperative -- \$77,700

The grant would fund the purchase of equipment related to creating a recycling program for green wine bottles. Large amounts of wine bottles are received by local recyclers, but there are virtually no local markets for this material. The proposed recycling project would permit the reuse of 54 varieties of green corkable wine bottles. Up to 2 million bottles could be recycled each year. The proposers will work with local vintners who have indicated that there is a market for the recycled containers.

- 1) A portion of the funding would be for the purchase and outfitting of a recycling truck to pick up the material. The staff report notes that Sunflower will be offering a premium price for the bottles above that which could be received elsewhere in order to develop a large and stable supply. If such a premium is paid, would other large recyclers be willing to transport their own material to Sunflower?
- 2) Will Sunflower rely on existing stockpiles of bottles at other facilities, or is it their intent to develop a collection network from other sources that may not currently be recycling?

STAFF REPORT

REPORT ON RECOMMENDATIONS OF THE ONE PERCENT FOR RECYCLING ADVISORY COMMITTEE FOR FISCAL YEAR 1991-92.

Date: February 10, 1992

Presented by: Judith Mandt Leigh Zimmerman

This staff report presents the recommendations by the 1% For Recycling Advisory Committee for the 1991-92 funding cycle and constitutes the 1% For Recycling Project List. This year, \$225,000 is available for the program.

<u>History</u>: The program was established in the 1988-1989 fiscal year; this is the fourth funding cycle. A seven-member advisory committee serves in a review capacity to solicit proposals and make recommendations for the project list. The committee is comprised of seven members, two from each of the three counties and appointed by the Executive Officer, and the chair, who is a Metro Councilor appointed by the Presiding Officer.

The committee began meeting in the summer to review and revise the program criteria and guidelines for the 1991-92 fiscal year. These criteria and guidelines as well as the Request For Applications were presented to and approved by the Council, October 24, 1991. Applications were solicited for a period of 45 days with advertisements placed in newspapers of local circulation. There were 26 applications submitted by the application deadline of 4:00 p.m., December 9, 1991. Two late applicants who arrived after 4:00 p.m. requested that the committee consider an appeal of the deadline.

The committee heard their appeal at its December 16 meeting and determined that the two proposers had made a good faith effort to meet the deadline and that no harm would be caused if the applications were accepted since they had arrived the same day that they were due. The committee also voted that next year there be no exceptions, and that the application directly state that applications received after the deadline will not be accepted. The deadline time was changed to 5:00 p.m. consistent with the "end of the working day."

The applications, divided into the categories promotion/education, waste reduction, and markets were reviewed during December and January; assistance from Solid Waste and Public Affairs staff in conducting the proposal evaluation was provided. A standard evaluation tool was used to score assigned points to the proposals, based upon the extent to which the program objectives identified in the criteria and guidelines were met. Emphasis was placed on projects featuring market development for recycled products and/or source reduction, or "precycling."

The committee continues the policy of requiring that the applicant's identity be withheld until the review process is completed. This is done in order to protect objectivity and to ensure that proposals are evaluated solely on their merits. Interviews were conducted in Metro offices January 8 and 13. Following evaluation, the committee selected seven proposals for recommendation for funding.

At the conclusion of each project, an evaluation will be conducted by the project coordinator and Metro staff using evaluation methods identified in the contract Scope of Work. Conclusions from these assessments will be compiled into a report for the Council and other interested parties.

The proposals that have been selected by the committee for funding are shown as Attachment A attached to this report.

EXECUTIVE OFFICER'S COMMENTS

The proposals recommended for funding by the 1% For Recycling Committee meet the criteria established for this year's program. As such, they represent the Projects List specified in Metro Code Section 5.04.050(a) for this program for the 1991-92 fiscal year.

Attachment A

Gerry Herrmann, Environmental Learning Center Stan Kezar, Environmental Plastics

\$44,350

Project: Market development for recycled post-consumer plastics to produce composite building materials (waste reduction, markets)

This project will provide funds to expand the capabilities of Environmental Plastics, a plastics recycling plant located in Oregon City, to produce composite lumber. Environmental Plastics, in conjunction with the Environmental Learning Center, a plastics recycling depot in Clackamas County, will manage the project and provide post-consumer plastics to produce dimensional lumber for building materials. Environmental Plastics will produce specification lumber and posts for use in landscaping, park development, trail construction, and for other outdoor applications. The company will also continue to receive nursery containers and agricultural film for reprocessing, using the washing system previously funded from a 1% For Recycling grant.

Funds will be used to purchase composite production machinery and install an already-purchased extruder. The equipment will enable the system to produce special order plastic lumber that meets specifications of purchasers in the local market. After reprocessing, different plastics will be mixed together to create certain characteristics in the product to achieve variations in material weight, strength, and color. Environmental Learning Center has teamed up with the Forest Product Technologies Department of Oregon State University to test the blends and evaluate them for use in composite building materials. The proposer desires to produce a quality material that can be guaranteed to the application. At present, no product testing of any of the major composite lumber products is done, although Metro has near completion some demonstration project sites for existing materials. Product dependability and application tests for new materials being introduced at this facility are desired in order to increase the consumer demand for this product, which at present has many of the same uses as wood.

Composite plastic lumber has been available for a few years and is used in outdoor settings in the metropolitan area at this time. The material used in the northwest is shipped here from eight eastern companies. Although use is not yet widespread, it is beginning to have greater demand and that is expected to increase with wood product slowdown and changing regulations affecting pressure-treated woods (most commonly used in outdoor construction). The existing product is limited in flexibility, however. It can be dense and heavy and color variances can result in orders being rejected. The long shipping distances cause delays if problems develop, re-ordering and reshipping takes time, and this can result in missing portions of or all of a building season. This project is directed at overcoming such problems at the source by producing specification materials locally and, where problems develop, correcting them locally.

Local markets will be sought to produce tailor-made materials that fit the client's demand. This system has the advantage of being able to use the mixed plastics for which there is currently no home, such as food containers and household product bottles which look the same but are of

different materials. Plastics recycling, to be successful, has depended upon separation and very low contamination from mixed materials. This project will assist in providing a practical remedy for low grade loads in the Metro area, much of which are being sent overseas or landfilled.

More products need to be available locally from plastics that are generated and recycled locally. The experience of the partners in this project lowers the potential risks associated with the venture. Both Environmental Learning Center and Environmental Plastics have already made substantial investments in plastics recycling and have developed the supply of materials and sources of demand for composite lumber. The testing of various mixes of plastic materials to produce composite lumber with specific characteristics is needed and will contribute markedly in assuring product reliability.

Anne Gale
Gale & Associates

\$10,000

Project: "Recycle by the Book" a textbook recycling project in Washington County (waste reduction)

This project will provide surplus textbook and magazine recycling for over 90 schools and 12 community libraries in Washington County. In addition to improving waste recovery for these materials, "Recycle by the Book" will promote the idea of recycling books and set up a program that can be carried on by schools, libraries or interested volunteer groups.

The proposer estimates that approximately 105 tons of low grade waste paper in the form of old textbooks and magazines is disposed of annually by schools and libraries in the county. Although some books and magazines can be sold and reused, others go to the landfill. This project will offer recycling service for those materials.

The 1% grant will cover the costs of the contractor's time, will purchase cardboard collection boxes and a small trailer to transport books to Farwest Fibers Recycling Center in Beaverton. Softcover books and magazines can be recycled directly; hard covers will be removed and separated. The recovered paper will be sold to Smurfit Paper in Oregon City. In addition to providing the recycling service, the contractor will establish a network between schools, libraries, the recycling depot and Smurfit that will make it easy for administrators or volunteer organizations to continue the program after the 1% grant is completed.

The 1% advisory committee selected this proposal because they felt it provided a needed service at a low cost. The necessary arrangements between collection, processing and markets were in place, and the model established in Washington County has the potential to be expanded to other parts of the region.

Anne Gale Gale & Associates

\$21,000

Project: "Recycling Wood Strings" testing and market development for recycled construction/demolition/land clearing (CDL) wood debris (markets)

This project will introduce a new product for CDL wood debris into the market place. The product, a wood string about 3" long with a 1/2" cross section, will be derived from ground wood debris to produce a material for use in cut embankments, animal bedding, temporary roads, and playground equipment areas.

The proposer will work in partnership with Lakeside Reclamation, located in Washington County, to develop and test the product to be sold in bulk. It will be tested for suitability for the proposed uses at public parks, in construction and land clearing sites, and uses involving livestock. The equipment for grinding wood debris is in place at Lakeside Reclamation and can be adjusted to produce a string-like fiber. The advantage of this material over sawdust and bulk wood chips, which tend to move away from the location over time, is that the wood strings will interlock to form a net that remains in place. The net formed by the strings is resilient and is considered ideal for riding arenas and holds up to heavy foot and hoof traffic.

Funds from this grant will be used to locate and develop test sites for the various applications. The testing methods will be developed in consultation with the users who agree to have their properties used as "laboratories" to experiment with various applications and performance. Once the tests have been completed and results are compiled, the product will be marketed throughout the region for suitable uses.

New products need to be developed for CDL wood. The current markets are dominated by hog fuel, which is lower on the state solid waste hierarchy. The product appears to have a potential niche and research is needed to prove it is viable; the use in embankments in particular is thought to be a good, though not proven, method for erosion control. A significant commitment of capital and substantial experience of the project partner, Lakeside Reclamation, results in a good cost-benefit ratio for the project.

David Brook, Oregon State University Jeanne Roy, Recycling Advocates

\$27,000

Project: Master Recycler Volunteer Program (education)

This project, modeled on the "Master Gardener" concept, will provide training in waste reduction, recycling and composting for approximately 80 volunteers. The curriculum will cover an overview of the solid waste system in the Metro area, recycling in the home and office, precycling, buying recycled products, home composting and communication skills. The training program will include five evening sessions, two field trips and a workshop. The contractor plans to conduct three separate sessions beginning in May 1992, October 1992, and February 1993.

After volunteers have completed the course, they will be required to pay back their training hours through community education activities. These may include speaking before civic organizations; staffing booths at fairs, conventions, home shows, shopping centers and grocery stores; setting up projects in their workplaces, schools or apartments; or conducting workshops for neighborhood associations. Volunteers who have completed their payback hours, will be presented with a Master Recycler Certificate.

One percent grant funds will pay personnel costs for the project coordinator and for production of the training manual and other promotional materials, such as a slide show and brochures. The Oregon State University Extension Service and Recycling Advocates are providing in-kind contributions.

The 1% Advisory Committee selected this project because it focused on volunteers as a valuable resource in promoting waste reduction and recycling. They felt the experience of the Extension Service in training and the commitment of Recycling Advocates provided a strong partnership. They hoped this program would complement Metro's home composting program and waste reduction promotional campaigns and provide another approach to influence waste disposal behavior.

Debbie Palermini Palermini & Associates

\$19,400

Project: Market development for building materials with recycled content (education)

This project will develop a promotion and education campaign on purchasing building products with recycled content, reducing waste at the construction site, reusing building materials, and recycling when there is a viable secondary market. Special emphasis will be placed on "buying recycled" to increase awareness of existing building materials with recycled content and stimulate market development for new products.

The contractor will work closely with the Building Owners and Managers Association, the American Institute of Architects, the Oregon Remodelers Association and the Home Builders Association of Metropolitan Portland. She also has the support of local building wholesale suppliers, lumber yards, home remodeling centers, building product manufacturers and local utilities to showcase new products and promote their use in remodeling and new construction projects.

The contractor will conduct three separate workshops and prepare an education program, including a slide show and a listing of local suppliers of building materials and interior furnishings with recycled content. A survey will be conducted at the beginning and end of the project to evaluate the impact of the education program on the purchase of recycled products and the costs of such products.

The Advisory Committee recommends this proposal because of its potential impact on the waste stream and market development for recycled products. The information on recycled products

should provide impetus to the construction industry to incorporate these materials in new building, landscaping and erosion control projects. The committee felt that given rising landfill costs, and the scarcity of top quality lumber and durable wood products, the construction industry would be very receptive to this program.

Russell Plaeger \$19,800

Project: Promote "Buy Recycled" via purchase of recycled paper products for fundraising projects (education)

This project will promote the use of recycled paper products, such as gift wrap, cards and stationery, as a fundraising tool for school and community groups. The contractor will contact fundraising companies, parent/teacher organizations and schools to set up an information network that will expedite selling recycled products and that can be utilized after the 1% grant is completed. The goal is to contact 80-100 schools in the region.

The contractor will prepare a direct mailer to PTA presidents and principals or activity leaders at several pilot schools. He will meet with these individuals to develop a useful program suited for elementary and secondary schools as well as community groups. Following the initial contacts an information kit will be prepared that promotes the idea of selling recycled products.

The information kit will list potential companies that distribute recycled products, answer questions and summarize the experiences of local groups that have tried and succeeded with these products. General information on the importance of buying recycled will also be included. The kit will be designed so that it can be updated easily and reused several times. The results of sales from this program will be evaluated periodically over the course of the grant.

This project is recommended because of its potential impact. The committee felt that schools are always looking for new fundraising activities and that promoting environmentally sound products would be supported by students, parents and the larger community. The fact that thousands of consumers are contacted through fundraising events provides a wonderful opportunity to teach the value of buying attractive, recycled products as an alternative to more traditional fundraising items. Increased awareness should translate into increased demand for these and other products.

John Garofalo and Alexander Patterson Sunflower Recycling Cooperative \$77,700

Project: Collection of green wine bottles for resale as wine bottles to local vintners (reuse, waste reduction)

This project will develop a collection center to sort and wash 54 varieties of corkable green wine bottles. Located at the Sunflower Recycling Center in Southeast Portland, the facility will be housed in a large building leased on site. Funds will be used to purchase a bottle washer and related equipment, set up the facility, help to purchase and outfit a recycling truck, and provide staff training. Up to 2 million green wine bottles per year will be processed for reuse. This

represents about 10% of the 20 million bottles of wine consumed in Oregon each year, of which the Metro area consumes about 9 million.

Green glass is a significant factor in the recycling industry and may constitute a management crisis if alternatives for its use aren't developed. Huge mountains of cullet, largely wine bottles, are stockpiled on site at Owings-Brockway Glass Company in northeast Portland, the glass recycler which receives most local glass. In order to contain the growing supply, the company has shipped loads of glass to Texas. We are aware of no proposal being developed prior to this project which would offer a solution to this problem.

Sunflower Recycling is no longer in the garbage collection business with the inception of the garbage franchise system recently implemented in Portland. Its resources are now directed at operating solely as a recycling center, processing materials collected by the East Portland Recycling Cooperative. The Center has retained the services of Richard Dixon, an Oregon vintner, to help establish and operate the facility and market the used bottles to other Oregon vintners. The economic incentive exists for vintners to purchase reused bottles, because they are less costly than purchasing new corkable bottles. They are very willing to purchase quality reused bottles and do so whenever possible. It is estimated that about 40% of their demand could be met by this project.

Sunflower plans to pay a premium of \$.05 per bottle, depending on their condition. Since this is much more than the amount recyclers receive now for green glass, the supply of green bottles in good condition is expected to be high and stable. Used wine bottles will be collected from area restaurants, taverns and clubs, and wine festivals and wine tasting rooms. In most cases, the bottles will be stored safely for collection in the same cardboard boxes in which they were delivered.

The partners in this project have substantial experience in recycling and wine distribution. Sunflower is ideally suited at this time to expand its operations to an on-site facility. Their connection to the region's recyclers is stable and constitutes an established supply that is already very large. The experience of Richard Dixon, a successful local vintner with extensive contacts in the wine industry, makes for a strong project with low risk and high potential to advance the goals of the solid waste hierarchy.

JM\1%\STAF00210.RPT