



WASHINGTON
COUNTY,
OREGON

(+) - ~~Waste~~
Waste
or
SWAC

SOLID WASTE ADVISORY COMMITTEE

A G E N D A

265 S.E. Oak, Hillsboro
Large Conference Room, Environmental Health

RECEIVED SEP 2 1986

September 3, 1986

4:00 p.m.

- I. Minutes
- II. Review of Washington County Recycling Pamphlet
- III. Need for New Committee Members
Three (3) Vacancies
- IV. Other Business

MFS:dev
8-26-86

SOLID WASTE POLICY ADVISORY COMMITTEE

SWPAC

MINUTES AUGUST 4, 1986

Committee Members Present:

Teresa DeLorenzo, Delyn
Kies, Gary Newbore, Pete
Viviano, Kathleen
Cancilla, Michael
Pronold, Carolyn Browne,
Dave Phillips, Robert
Harris, Dick Howard,
George Hubel

Committee Members Absent:

Shirley Coffin, Craig
Sherman, Ed Gronke,
Bruce Rawls, Mike
Sandberg

Staff Present:

Dan Durig, Norm Wietting,
Steve Rapp, Wayne Rifer,
Becky Crockett, Mary Jane
Aman, Kathy Rutkowski,
Randi Wexler, Donna Bill

Guests:

Doug Plambeck, Rate
Review; Estele Harem,
OSSI; Robert Brown, DEQ;
Karen DeVoll, Goodwill
Industries; Don Seep, St.
Vincent DePaul

The meeting was called to order by Teresa DeLorenzo at 12:07. She suggested that the committee defer dealing with approval of the revised minutes of June 16 and the minutes from the meeting of July 28, until the next meeting. She suggested we enter into discussion. Goodwill was present and requested some speaking time. The committee did not object to deferring the approval of minutes.

Mary Jane Aman, Administrative Assistant, introduced Kathy Rutkowski, temporary Administrative Assistant, and Donna Bill, temporary Solid Waste Secretary. She also mentioned it was her last week at Metro and noted these were the people to contact if any questions arise regarding minutes, agendas, etc. She reminded the committee to let her know of address or phone changes so she can update the list prior to leaving.

Wayne Rifer, Solid Waste Analyst, talked briefly on the certification program. He noticed confusion on three areas, which he thought he would clarify.

1. Decoupling. Ed Gronke asked at the end of last meeting: what is the purpose of the certification program if there are no rate incentives?

Wayne stated he wanted to make some points in response to this confusion.

1. ORS 459 establishes the basis upon which Solid Waste is managed in the State. Waste reduction is throughout the chapter and it is a responsibility of all segments of the Solid Waste industry to be involved in one way or another with Waste Reduction. Authority to regulate collection is granted to local governments in order to carry out two things:

- a. Requirements of State Law
- b. Metro's Waste Reduction Program and Solid Waste Management Plan

There are two essential purposes of the certification program, independent of its rate incentives. One is to develop and assign specific responsibilities to local collection services to carry out their responsibilities in the Waste Reduction Program and secondly, to measure and see if the responsibilities are being carried out.

Teresa suggested that copies of Gary's August 1 letter be distributed to the committee.

Delyn Kies sent an informational letter to the committee which she summarized, stating that the reason for the letter was to inform the committee about what the haulers were doing within the City.

Teresa introduced Don Seep, a representative from St. Vincent DePaul Society, who wished to make a presentation to the committee.

Don Seep passed out literature which was compiled in cooperation with Goodwill Industries. A yellow sheet within the packet reflects data compiled by St. Vincent DePaul, showing materials salvaged, recycled and sold, and a survey of disposal costs over the past three years as well as data sheets from Goodwill Industries. Attached to the packet is a letter which is jointly signed by St. Vincent DePaul and Goodwill Industries. He stated that the committee requested suggestions on the part of Goodwill and St. Vincent DePaul to assist the committee in an attempt to evaluate applicants for relief of the tipping fee, should that occur. Some suggestions were made in the packet, and Mr. Seep stated why he felt these organizations should be allowed relief from the tipping fee. Speaking in behalf of the organizations mentioned in the letter, Mr. Seep stated he appreciated the chance to be heard, and would appreciate any relief assistance which may be given. He also wanted to clarify he wasn't talking about hazardous waste material. Organizations such as St. Vincent DePaul seek support from the community by asking for items which can be repaired or reused for their specific charitable uses. The industries salvage, recycle and repair items, which they sell, thereby reducing the amount of landfill wasted. He invited anyone to visit St. Vincent DePaul to view their operation.

Gary Newbore asked Mr. Seep if it was true that three years ago St. Vincent DePaul was paying \$39.00 for 20 yard box at the Killingsworth disposal site. Mr Seep stated this was true. Gary stated that presently, St. Vincent DePaul is paying \$40.00, which reflects a 2.5% increase over three years. Gary also stated that he knows the volume is going up, and he feels the landfill fees are not causing the problem.

Don Seep stated that St. Vincent De Paul has been, in the past, given a flat rate (20 cy rate), and they have been hauling 25 to 30 yards at a time.

Gary Newbore once again mentioned that the landfill rates are not the principal cause of the increase in disposal costs. Mr. Seep agreed.

George Hubel asked Mr. Seep what, if anything, was being done by St. Vincent DePaul to lower the volume of the incoming trash they accept.

Don Seep stated that this problem was discussed. He pointed out that there is a large expense, especially in the case of Goodwill, to have someone attend the collection centers. Goodwill has expanded their hours to 9:00 p.m., as has St. Vincent DePaul at their stores. In terms of what they are doing to avoid picking up the undesirable items, Mr. Seep stated it was a difficult problem, from a public relations point of view. They

will pick up the items, and in some instances, can repair and resell the items. This is done because it is cheaper than hauling it to the landfill, and someone may be able to use the item.

Dick Howard commented that in addition to these organizations, the county also receives items that are also unusable, and they are saddled with the same burden - that of disposal of someone's trash.

AGENDA ITEM: RATE INCENTIVES & CERTIFICATION DISCUSSION

Teresa asked for options for how to go through the staff report. She suggested either going through the recommendations directly and discuss each issue that way, or go through the background information and then go to the recommendations. She stated that talking about the recommendations, any issue related to the staff report itself would come out. She and Cathy Cancilla met earlier and came up with the following recommendations. They saw concerns for the differential tip fee at the last meeting. It seem to them, an appropriate way to handle the dilemma would be to entertain Alternative II. She asked for committee feelings on Alternative I vs Alternative II.

Dave Phillips expressed a concern for the differential tip fee as it applied to the City of Portland and concern over the concept of whether or not Metro would get "hit over the head" with no rate incentive for the certification program. He did some legal research in regards to ORS 459, and it appears that there is leverage in the ordinance in that it says a waste reduction plan that is arrived at by a Metropolitan Service District cannot be contradicted by any ordinance set up by a local government. Therefore, there is leverage to be able to work with a local government who is not performing with the Waste Reduction Plan, negating the need for a differential tip fee. He recommends going with Alternative II.

Gary Newbore asked if the only two options available were Alternative I or Alternative II.

Teresa responded by saying something else could be suggested, but that there needed to be a response to the staff report, perhaps by suggesting a different alternative and a mention of what that might be.

Gary asked what objectives a straight certification program reach.

Dave replied that it is a set of standards that are to be accomplished, and that each year there will be a standard to meet. Over the next few years the standards will be a little bit more complicated and detailed.

Delyn looks at the first year as a way to set up how everyone will work together in the years to come, seeing it as a way to develop methods of working smoothly and efficiently together.

Pete Viviano asked if the first year everyone would be certified.

Teresa responded by saying there will be certification STANDARDS that will be applied to everyone.

Wayne stated that it is not safe to assume that everyone will be certified in this coming year. The decision to be made by DEQ.

Teresa asked if there were any other comments about Alternative I, II, or suggestions for a different alternative. There were none.

ACTION: Dave Phillips moved that it be recommended to council that Alternative II be recommended, and that they proceed with that.

Seconded by Carolyn Browne. Carried with nine yes votes, one no vote, and one abstention by Pete Viviano.

Teresa began discussion on Materials Processing Rate Incentives, which is located on page six of the staff report. She stated that at the last meeting, there was concern expressed about extending Metro's intensive regulation of processing centers, in terms of controlling profitability of those centers. She also expressed concern regarding retro-fitting Clackamas Transfer Recycling Center (CTRC), to transport high grade loads, so there would be the opportunity to drop high grade loads at CTRC and then truck them to Oregon Processing Recovery Center (OPRC). She stated that it would be more appropriate to grant OPRC a non-exclusive franchise and let them determine their own profitability. One idea that came up was that there are opportunities for high grade load recycling closer to CTRC than OPRC, and perhaps diverting the loads to a closer site would be more effective than investing money in CTRC to retro-fit it. She is concerned about the level of regulation for materials processing centers and that it would require Metro to gear up a new department to understand that industry.

George stated that Teresa's statement was incorrect and that processing centers are already under regulation. The facility near St. Johns already has come to Rate Review, and it was Rate Review's recommendation to grant them a waiver. It appears under the franchise ordinance as it is currently written. Rate review recommended some kind of a variance be granted because of the advantage of recycling, and that the public was stirred by the fact that the facility would provide something to be done with the material at a lower cost than landfill.

Teresa mentioned she felt there was no reason to govern their profitability more closely. She does not accept staffs' position that processing centers could raise tipping fees too much; she feels they couldn't have too wide a profit margin and still get the volume through they wanted.

Norm Wietting, Solid Waste Operations Manager, stated that the idea was to try and create a differential split between St. Johns rates and the OPRC rates.

Dave Phillips feels that when you create a situation where you're driving material some way, you have an obligation to make sure the people dealing in that area don't take advantage of it. Some form of rate regulation needs to occur. He also mentioned that there will be a processing center in the south County area, negating the need for a \$100,000 renovation at CTRC. K&B recycling is building a new facility and will be approaching Metro for a franchise to operate a processing center.

Kathleen Cancilla mentioned that as a committee member she would like to see that Metro's goal be to assist in any other way they can, not necessarily financially, the start up of these recovery centers by making the permit and franchise, etc., system as smooth and timely as possible.

Gary responded to Norm and Dave's earlier comments about regulating the rates. It seems that the more successful OPRC is the more it should be applauded rather than punished by regulating the rates. When the profits are regulated, the incentive will reduce and only items that will make the most money will be collected, instead of all recyclable items, he said.

Dan Durig stated that the difference is that OPRC holds a franchise permit. The committee needs to read the franchise ordinance. Granting a franchise is relative to what makes sense for the system. Along with the franchise comes regulation. Under the franchise ordinance, Metro controls rates. Under the OPRC arrangement, a waiver was granted to those rates.

MCTION:

Dave Phillips moved SWPAC recommends Council take the necessary actions to result in a rate differential of \$2.00 to \$4.00 between a processing center and a regular disposal system and staff be directed to work closely with the processing centers to try to insure their success. Also, instruct staff to facilitate the opening of the private center in the south.

Seconded by Dick Howard who commented he would like to see the commercial marketplace determine the differential rather than have

it specified in the form of a formal regulation. Motion passes with seven yes votes, three no votes and one abstention from Kathleen Cancilla.

Dan, in response to Dick's comment, said the franchise ordinance already sets this up as a policy; the whole procedure is laid out. There is a landfill crisis on now, and there is a restrictive contract with the City of Portland. We will all see major economic impacts on the total system if action isn't taken. The position will be much more assertive than in the past; regulation is being done to save landfill space, not for the sake of regulation.

Gary stated that as he understands it, what is being suggested by the franchise ordinance is that if you want to cut down on waste to landfill by recycling, there must be a franchise. Also, because they have a franchise, we want to keep their prices down to a certain level.

Dan clarified the point. An operation which takes mixed waste must have a franchise. By regulating, the operation can reduce waste. Solid Waste Management is beset with often conflicting goals. For example, keeping costs down would suggest making volumes high, but we are also trying to cut down on the amount of waste buried at the landfill.

MOTION

George Hubel moved to amend the previous motion to provide that benchmark concepts be considered in rate making in processing centers rather than a specific range.

Seconded by Robert Harris, motion passes with 11 yes votes.

Carolyn Browne questioned why George wanted to stipulate benchmark as a reference rather than a dollar figure. She wanted to know the advantage of this type of action.

George stated that a benchmark is a price that is established, and if you are below the benchmark, it doesn't really matter what the rates are. The difference between the proposals is this one is saying the benchmark should be established on a case by case basis, since other variables besides price, such as location are important factors in deciding where to dispose.

Teresa expressed a concern regarding the vagueness of the wording in paragraph 2 of staff report under the Reuse Centers. She was also concerned with the wording related to tax advantages. She suggests a direct grant for organizations such as Goodwill and St. Vincent DePaul, who are doing aggressive recycling.

Gary stated that he also supported the activities of these organizations. He feels it should be Metro's policy to encourage them to continue doing a good job, but if you give them a reduced dumping fee, there is less of an encouragement for them to do a good job. On the other hand, they do deserve some sort of break somewhere for the service they provide.

Teresa stated that the organizations that should receive the breaks are the ones that provide a community service, and practice aggressive recycling. They need their performance rewarded.

Gary questioned where the line is drawn on community organizations getting breaks for recycling. Many organizations fall under this category.

Teresa suggested that the organization needs to have a history of recycling while not given the breaks. There needs to be a time line on their recycling efforts before breaks can be imposed.

Steve Rapp mentioned a matter of overcharging at Gary's operation (Killingsworth Fast Disposal). There was a thought to recapture of the overcharge by a break through the facility for the above mentioned organizations, as a short term policy.

Norm clarified the point by adding that the amount could be returned by leaving the present rate as it is and give the difference back through the reuse centers. By the end of next year, it would be essentially even.

MOTION

Dick Howard moved to maintain the status quo with respect to waiving the fees.

Seconded by Dave Phillips. Motion passed with five yes votes, one no vote, and four abstentions.

Teresa stated that she is concerned with meshing a yard debris program and public hauling, That it is not economically feasible in the large picture to encourage public hauling. It is Important to have source separated material. She added that there needs to be a public program which will encourage public hauling of source separated yard debris.

Dave stated that you are not encouraging the public to haul their own because they already haul a large amount of source separated yard debris.

Teresa questioned whether or not the staff report needs to be expanded to include more than St. Johns.

Dave suggested that you will need something to encourage the diversion. He stated that it should be Metro's rates at the gatehouse at St. Johns. There should be some sort of a rate differential to encourage people to bring in separated material.

MOTION

Dave moved that the staff report on yard debris rate incentives for St. Johns be accepted.

Seconded by Gary. Motion passed with five yes votes, one no vote, and four abstentions.

Delyn questioned what the schedule for the rate study would be so she, the committee, and the public could review the rate study.

Steve stated that the first reading of the rates was projected for the September 11 Council meeting. The final staff report is due on August 29; draft report due August 22. On September 15, a decision on the rate study would need to be made, which will be in time for the Council's second reading of the rate study later in the month.

Teresa stated that the material would be mailed to the SWPAC committee so it could be reviewed at the regularly scheduled SWPAC September meeting.

Dan requested that SWPAC be invited to the rate review meetings.

George replied that the meetings are always open to SWPAC members.

Dan stated that the committee needs to go over some of the general policies, noting that there hasn't been much time spent on the Waste Reduction Program and policies.

Teresa suggested that in staff reports the particular policy followed should be quoted, so the rationale would be apparent to the reader.

George stated that all notices of rate review meeting will go to all SWPAC members.

Adjourn 2:10 p.m.

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Adjourn 2:10 p.m.

(THERE WILL BE NO SWPAC MEETING FOR SEPTEMBER)



METRO

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

September 9, 1986

Dear SWPAC Member:

Since our last meeting, the Solid Waste Staff has been immersed in a heavy workload. Because most of the work is still "in process" and has not reached a decision point, it will not be necessary to convene a regular meeting this month as scheduled for next Monday, the 15th.

Metro Council

Richard Waker
Presiding Officer
District 2

Jim Gardner
Deputy Presiding
Officer
District 3

Bob Oleson
District 1

Corky Kirkpatrick
District 4

Tom DeJardin
District 5

George Van Bergen
District 6

Sharron Kelley
District 7

John Frewing
District 8

Tanya Collier
District 9

Larry Cooper
District 10

Marge Kafoury
District 11

Gary Hansen
District 12

Executive Officer
Rick Gustafson

For future meetings, we would like to incorporate tours to various local facilities i.e. St. Johns Landfill, Clackamas Transfer and Recycling Center, McFarlane's and Grimm's Fuel Oil who process yard debris, the burner in Marion County and Oregon Processing and Recovery Center (OPRC). These tours will provide members with a first hand view of the scope of operations of these various facilities.

Since we will not hold a regular meeting this month, staff would like to initiate the tours with a visit to OPRC and St. Johns on Monday, Sept. 15th. We will leave the Metro offices by van promptly at noon. Your being on time will insure a return by 2:00. Our secretary will be calling you to confirm your availability for the tour.

Sincerely,

Pat Vernon
Solid Waste Department

Date: August 8, 1986
To: Metro Council
From: SWPAC
Regarding: RECOMMENDATIONS ON RATE INCENTIVE POLICIES

Presented By: Teresa DeLorenzo

SWPAC would like to present to Council the following recommendations on the Solid Waste Rate Incentive Policies:

CERTIFICATION

SWPAC recommends Alternative II, Implementation Through Directive Authority as a means of encouraging compliance with certification standards. The Committee feels the differential tip fee would not be fair to the majority of haulers who serve the City of Portland because they could potentially be paying a higher fee for a matter on which they would have no direct impact or control.

MATERIALS PROCESSING RATE INCENTIVES

SWPAC agrees with Metro that a rate differential needs to exist between processing centers and the regular disposal systems, however, does not feel a specific differential should be set. The Committee recommends that the rate differential be determined on a case by case basis. The Committee also recommends that Metro facilitate the franchising process to make it as easy as possible for private centers to operate and that staff work closely with the processing centers to try and ensure their success. SWPAC feels the \$100,000 requested to retro-fit CTRC might be better spent in facilitating the opening of a private center in the CTRC area.

PRIVATE NOT-FOR-PROFIT REUSE OPERATIONS RATE INCENTIVES

While SWPAC applauds the activities of these organizations and feels there is the need to provide some economic reward, the Committee does have some concerns about a reduction in their tipping fees. The Committee feels it should be Metro's policy to encourage these organizations to continue their activities but recommends to the Council that they maintain the status quo with respect to rates.

YARD DEBRIS INCENTIVES

SWPAC supports Metro's recommendations on yard debris rate incentives for St. Johns Landfill