

Metro | Agenda

Meeting: MRF/CT Subcommittee Workshop
Date: Monday, Feb. 1, 2016
Time: 3:00 to 5:00 p.m.
Place: Rooms 370A & B
Purpose: Provide background information and orientation for Subcommittee Members
Outcome(s): Common baseline understanding of solid waste system within region and goals, objectives, and process for limited term subcommittee work.

3 p.m.	Welcome, Introductions, Agenda Review	Roy Brower
3:15 p.m.	Subcommittee Background <ul style="list-style-type: none">- Metro's interest- Title V solid waste workshop outcomes- Public process	Roy Brower Warren Johnson
3:30 p.m.	Solid Waste System Overview <ul style="list-style-type: none">- Review solid waste roles - generation through disposal- Review public benefits and current solid waste system planning efforts- Facility authorization & regulation	Metro Staff
4:15 p.m.	Subcommittee Administration/Procedures <ul style="list-style-type: none">- Ground rules- Decision making process- Meeting summaries and supplemental documents- Subcommittee webpage- Meeting schedule- Additional resource needs from subcommittee- Transit/parking	Roy Brower Dan Blue
4:45 p.m.	Review Subcommittee Meeting Topics/Sequence	Dan Blue
5:00 p.m.	Adjourn	Roy Brower

*Note: TriMet and parking passes are available for Subcommittee Members, please contact Dan Blue if you need transit or parking passes at dan.blue@oregonmetro.gov

Metro | *Meeting minutes*

Meeting: Solid Waste Alternatives Advisory Committee
Date/time: Wednesday, February 1, 2016; 3:00 p.m. to 5:00 p.m.
Place: Metro Rooms 370A & 370B
Purpose: Provide background information and orientation for Subcommittee Members
Outcomes: Common baseline understanding of solid waste system within region and goals, objectives, and process for limited term subcommittee work.

Attendees

Bruce Walker, City of Portland
Theresa Koppang, Washington County
Mike Davis, Clark County Washington
Vinod Singh, Far West Recycling
Andy Kahut, KB Recycling
Brian May, WRI Republic
Jeff Murray, EFI
Scott Farling, Agilyx
Matt Marler, Covanta
Audrey O'Brien, Oregon Dept. of Environmental Quality
Mike Lafferty, Citizen Rep
Francisco Ibarra, Citizen Rep
Betty Patton, Recycling Advocates
Roy Brower, Metro

Absent

Dylan de Thomas, Resource Recycling

Presenters/Staff:

Dan Blue, Metro
Warren Johnson, Metro
Tom Chaimov, Metro
Kim Waxler, Metro

In Audience:

Shane Abma, Metro
Dean Kampfer, Waste Management
Mathew Cusma, Schnitzer Steel

1. CALL TO ORDER AND DECLARATION OF A QUORUM

Chair Roy Brower called the meeting to order and declared a quorum.

2. COMMENTS FROM THE CHAIR AND SWAAC MEMBERS

Chair Brower welcomed members to the first meeting of the Material Recovery Facility and Conversion Technology Subcommittee (MRF-CT). Mr. Brower noted that the purpose of the subcommittee is to advise the Solid Waste Alternatives Advisory Committee (SWAAC) which is in turn advising the Metro Council on the following questions:

- 1) Consider whether MRFs that process source-separated recyclable materials and facilities that convert waste to energy or fuel should be subject to licensing and inspection by Metro similar to other facilities?
- 2) If so, which licensing requirements are appropriate for such facilities?

The purpose of the meeting was to provide background information, answer any questions regarding the scope of work of the subcommittee and provide a basis for all members to have a similar understanding of the Metro regional solid waste system.

Subcommittee members and staff supporting the committee introduced themselves.

3. SWAAC/MRF-CT SUBCOMMITTEE BACKGROUND

Chair Brower provided background information on the formation of the SWAAC/MRF-CT Subcommittee. He noted that Metro staff initiated a public review process of proposed changes to Metro's solid waste code (Title V) in 2015 and, specifically, to the oversight of MRF-CT facilities. There were several in the industry who did not feel the issues had been properly vetted and the Metro Council agreed. At the direction of the Metro Council, staff is now going through this process with the SWAAC/MRF-CT subcommittee.

Staff initially proposed regulatory changes for MRF/CT facilities because, in part, of the changes to the solid waste collection, processing, and market system. Staff considers MRFs that accept source-separated recyclable materials to be more similarly-situated to other solid waste MRFs.

Metro desires to effectively oversee the overall solid waste system consistent with its statutory and charter responsibilities to achieve the greatest public benefit. Therefore, all MRFs should be regulated in a similar fashion. If they operate in a similar manner, they should be regulated in the same manner.

Chair Brower noted that conversion technology facilities, which generate energy or fuel from waste, do not clearly fit into Metro's solid waste regulations as they are a new and emerging facility type. If Metro regulates these facilities, it needs to have a clear framework for licensing and inspection.

Regulating the aforementioned facilities is a way to achieve the greatest public benefit. Chair Brower acknowledged that there are a broader group of interests and views that should be heard, discussed and considered. This process will allow the subcommittee to inform SWAAC and to aid them in advising Metro Council on these issues. Mr. Bruce Walker, Ms. Teresa Koppang and Ms. Audrey O'Brien all sit on SWAAC, and Mr. Walker has been designated as the MRF-CT subcommittee's liaison to SWAAC.

Mr. Warren Johnson outlined staff's views on the proposed code changes (see Attachment A).

- Metro routinely updates Metro Code Title V (Solid Waste) for greater consistency and transparency.

- Similarly-situated facilities should be regulated in a similar manner and there is a need to better understand the emerging class of conversion technology facilities.

Mr. Johnson discussed a Title V workshop held in September 2015 where a number of proposed code changes and updates were explained to the public. These were put out for public comment and the input that Metro received was that more discussion was needed for some of the issues, especially regarding licensing requirements and the way that Metro assesses fees and taxes.

At a Metro Council Work Session in October 2015, the Metro Council directed staff to provide a more thorough vetting for code changes. Since Metro does not have a prescribed code adoption process, the Metro Council directed staff to carry out the public engagement approach that was outlined at its Work Session (see Attachment B). Councilors also agreed that the issues should be looked at separately. Subsequently staff developed three tracks for the Title V changes:

Track 1: General update which is in process and will be discussed at the February meeting of SWAAC before beginning a 60-day public review and comment period. (Staff: Warren Johnson)

Track 2: Launch of the MRF-CT subcommittee (Staff: Dan Blue)

Track 3: Review the current fee and tax exemptions that are allowed by Metro and convene a separate subcommittee (Staff: TBD)

There was discussion between subcommittee membership and staff regarding the code change process and the establishment of the subcommittee. Mr. Johnson clarified that establishment of the subcommittee was a not a code-mandated process, but a Council-directive to implement a more extensive public process for the proposed code changes. The subcommittee model, along with an extended public process, is being tried out as a method for improving the process of amending the code.

4. SOLID WASTE SYSTEM OVERVIEW

Mr. Dan Blue of Metro Solid Waste Compliance presented an overview of the solid waste system. A brief video on the history of garbage and recycling developed by Washington County was shown. An overview of the generation to end of life of garbage and recyclables was shared (see Attachment C).

Mr. Tom Chaimov of Metro Property and Environmental Services provided an overview of the public benefits Metro seeks through operation of the solid waste system as well as current solid waste system planning efforts.

Through its management of the regional solid waste system, Metro seeks to:

- Protect people's health
- Protect the environment
- Get good value for the public's money
- Keep our commitment to the highest and best use of materials
- Be adaptable and responsive in managing materials
- Ensure services are accessible to all types of customers

Mr. Chaimov described a series of planning efforts referred to as Making the Most (of what we don't want), also known as the Solid Waste Roadmap project, as a long-term effort to determine the best approaches for managing the region's garbage and other discarded

materials as current operations, transport and disposal contracts expire at the end of 2019. Planning projects are currently underway to address the following:

- Food Scraps
- Managing Garbage in the Long Term
- Landfill Capacity
- Transfer System Configuration
- Long term funding of the system
- Future of Metro South

Additional information on the Solid Waste Roadmap projects can be found here:

<http://www.oregonmetro.gov/public-projects/solid-waste-roadmap>

Mr. Chaimov also discussed planning around the Regional Solid Waste Management Plan (RSWMP) which will be updated in 2018 (or by 2019). The RSWMP guides regional solid waste management over a 10 year period. There will be many opportunities for public comment as the new RSWMP is developed. Mr. Blue handed out a portion of the current RSWMP which provides a good overview of the solid waste system in the region. The current RSWMP can be found in its entirety on the Metro website.

Mr. Johnson then continued the solid waste system overview with a discussion on facility authorization and regulation. He noted that Metro has broad authority to regulate solid waste in the region. Metro employs a variety of regulatory instruments to govern waste, activities and facilities inside the region and relies on agreements and non-system licenses for tracking solid waste that is transported outside of the regional boundary.

In the case of non-system licenses, a generator or hauler is responsible for reporting its waste and remitting the payment of fees and taxes. Designated facility agreements are contracts between Metro and out-of-region facilities in which the facility agrees to collect and remit fees and taxes and other reports on behalf of the hauler.

Metro's solid waste facility authorizations typically address four general categories:

- Facility Impacts
 - Are there impacts on adjacent properties?
- Operational Practices
 - Is the facility handling waste properly?
- Reporting & Material Tracking
 - Are appropriate recovery or disposal methods being used?
- Fees and Taxes
 - Are appropriate fees and taxes being paid on the waste?

There was discussion among the subcommittee members and staff as to whether facilities that process source-separated recyclables should be considered a MRF. Mr. Murray stated that some industry stakeholders do not accept the term MRF for facilities that process source-separated recyclables. Mr. Murray asked that the record reflect that recyclables removed from solid waste were formerly exempted from regulation. Metro staff stated that Metro has broad authority over solid waste and that source-separated recyclables are considered solid waste as defined in Metro Code. Although currently exempted in code, Metro has the authority to remove that exemption. Staff indicated that these issues would be discussed in greater detail in upcoming meetings.

5. SUBCOMMITTEE ADMINISTRATIVE PROCEDURES

Mr. Brower led a discussion of administrative procedures for the MRF-CT subcommittee, establishing the ground rules for future meetings. Mr. Brower clarified that there would be opportunities for public comments following subcommittee membership deliberations at all subcommittee meetings.

Mr. Brower explained that the decision making process will be similar to SWAAC. Each member gets a vote, if the Chair determines that voting is necessary. Otherwise, the subcommittee will move forward with consensus as much as possible, keeping in mind that majority rules. A legitimate vote will require a quorum of eight. Metro will allow members to participate by conference call when necessary and requested by the member.

Staff will provide meeting summaries (not verbatim minutes), which will be posted on the web and emailed to members and interested parties. Any supplemental documents distributed at subcommittee meetings will go up on the website, and will also be provided via email to members. A SWAAC/MRF-CT Subcommittee webpage has been established at: <http://www.oregonmetro.gov/regional-leadership/metro-advisory-committees/solid-waste-alternatives-advisory-committee/material>

For meetings held at the Metro Regional Center, transit or parking will be covered by Metro upon request. Please contact Mr. Blue for parking passes, which will be mailed in advance of the meetings. Questions about subcommittee processes or other requests may be directed to Mr. Blue at: dan.blue@oregonmetro.gov or 503-797-1863.

6. REVIEW SUBCOMMITTEE MEETING TOPICS/SEQUENCE

Mr. Blue shared the outline of future subcommittee meeting topics and noted that the discussions at each meeting could alter the sequence and substance of future meetings.

Finally, Mr. Walker spoke to the benefit of receiving input from the panel on what are we trying to accomplish and as a good venue to share opinions from the group and obtain input from Metro staff. He feels this will provide an effective way to discern individual perspectives. Staff noted that the subcommittee meeting format will provide opportunity for stakeholder feedback and expect there will be a robust discussion.

Ms. Koppang stated that she feels it will be important to give context to what Metro regulates now and why, and what the plan is for the future. She feels some of the regulation language is nonsensical in the way it is currently written. She noted that it would be good to hear what DEQ regulates, as well. Local governments want to explain their regulatory authority too.

Mr. Murray noted that the decision will be to regulate or not to regulate. He asked if there is a point for discussion of other alternatives. Mr. Brower responded that there is a need to establish a framework for drawing clearer lines of the regulatory framework. When is conversion technology more like a solid waste operation? Is it a level of processing of feedstock? How does it relate to outputs? Mr. Murray asked, when speaking about Metro authority, would it be appropriate to bring in somebody from the recycling industry who understands law? He noted that there is a specific view of stand-alone recycling companies. Mr. Brower indicated that this is the place to have that conversation but this is not the venue to adjudicate our legal opinions.

7. PREVIEW OF THE NEXT MEETING'S AGENDA AND FINAL COMMENTS

Mr. Brower thanked everyone for attending. The meeting adjourned at 5:00 p.m.

Upcoming SWAAC/MRF-CT Meetings:

- Tuesday, February 24, 2016 from 1 p.m. to 3 p.m. at the Metro Regional Center
- Thursday, March 17, 2016 from 9:30 a.m. to 11 1.m. at the Metro Regional Center

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**Meeting 1 of the MRF/CT Subcommittee was not recorded, future subcommittee meetings will be. Audio recordings will be available after the meetings by request.*

 Metro | Memo

Date: January 6, 2016
To: Solid Waste Alternatives Advisory Committee
From: Roy Brower, Solid Waste Compliance & Cleanup Director
Subject: MRF/CT Subcommittee Composition and Roster

Background: At its Oct. 22, 2015 work session meeting, the Metro Council directed staff to establish two SWAAC subcommittees to: (1) consider Metro regulation of material recovery and conversion technology facilities; and (2) evaluate existing solid waste fee and tax exemptions. The Council is seeking ways to provide a more robust, disciplined and prescribed “rulemaking” process for solid waste code changes in Title V that have been previously discussed with you.

On Dec. 9, 2015, SWAAC voted to form the material recovery and conversion technology subcommittee and provided staff with recommendations on the composition of this group. Metro Code grants SWAAC the ability to establish subcommittees of a limited and defined duration. Subcommittee membership may include current SWAAC membership or other stakeholders.

As previously discussed with SWAAC, staff recommends that the subcommittee to review fee and tax exemptions be established once the independent re-evaluation of the current exemptions has been completed (summer 2016). The charge of the MRF/CT Subcommittee is as follows:

Material recovery facility (MRF) and conversion technology (CT) regulation.

Consider whether MRFs that process source-separated recyclable materials and facilities that convert waste to energy or fuel should be subject to licensing and inspection requirements similar to other solid waste facilities. If so, which requirements are appropriate for such facilities?

Based on feedback received from SWAAC at the December 9th meeting and from others, staff revised the proposed MRF/CT Subcommittee membership categories. Changes include:

- Adding two additional industry representatives who can represent the interests of facilities that may become subject to licensing and inspection requirements.
- Adding two additional citizen representatives.
- Removing the Association of Oregon Recyclers (AOR), at the request of AOR, and replacing it with an environmental advocacy position.
- Identifying a subcommittee member to serve as a liaison to SWAAC.
- Refining the category names for greater clarity.

MEMO: MRF/CT SWAAC SUBCOMMITTEE UPDATE
FROM: ROY W. BROWER
DATE: JANUARY , 2015

Proposed MRF/CT Subcommittee Categories and Membership:

1. Metro Staff (Chair) – Roy Brower
2. Local City Government– Bruce Walker, City of Portland*
3. Local County Government – Theresa Koppang, Washington County
4. Local State of Washington Government – Mike Davis, Clark County Washington
5. Washington County SWAC Citizen/Community Representative I (member nominated by *but not representing* Washington Co. SWAC) – Mike Lafferty, Washington County Citizen
6. Source Separated Recyclable (SSR) Processing Facility Operator – Vinod Singh, Far West Recycling
7. SSR/Dry Waste Processing Facility Operator - Andy Kahut, KB Recycling
8. Mixed Dry Waste Facility Operator – Brian May, Republic/WRI
9. Fiber Recovery Operator – Jeff Murray representing EFI
10. Conversion Technology Facility Operator (fuel production) – Scott Farling, Agylix
11. Conversion Technology Facility Operator (energy production) – Matt Marler, Covanta
12. Oregon DEQ – Audrey O’Brien
13. Independent Industry Expert – Dylan de Thomas, Resource Recycling Magazine
14. Citizen/Community Representative II – TBD
15. Environmental Advocacy Representative– Betty Patton, Recycling Advocates

*Liaison between SWAAC and the subcommittee.

The MRF/CT Subcommittee will begin meeting in late January 2016. Staff anticipates that meetings will be held every 2-3 weeks for a total of approximately 10 meetings. An initial introductory workshop will be offered to all members of the subcommittee to provide industry background information so that all members are adequately prepared to participate in the work of the subcommittee.

Questions for SWAAC members:

1. Do you have any comments on the proposed MRF/CT Subcommittee, generally?
2. Do you have any comments on the revised membership categories or the proposed roster?

Proposed Metro Code Title V (Solid Waste) Updates for 2016

Goals/Objectives:

Build on 2012, 2013 and 2014 changes to update the Metro Code to make it more:

- Relevant and easier to understand;
- Foundational with the implementation details set forth in administrative procedures; and
- Resilient and adaptive to changing conditions.

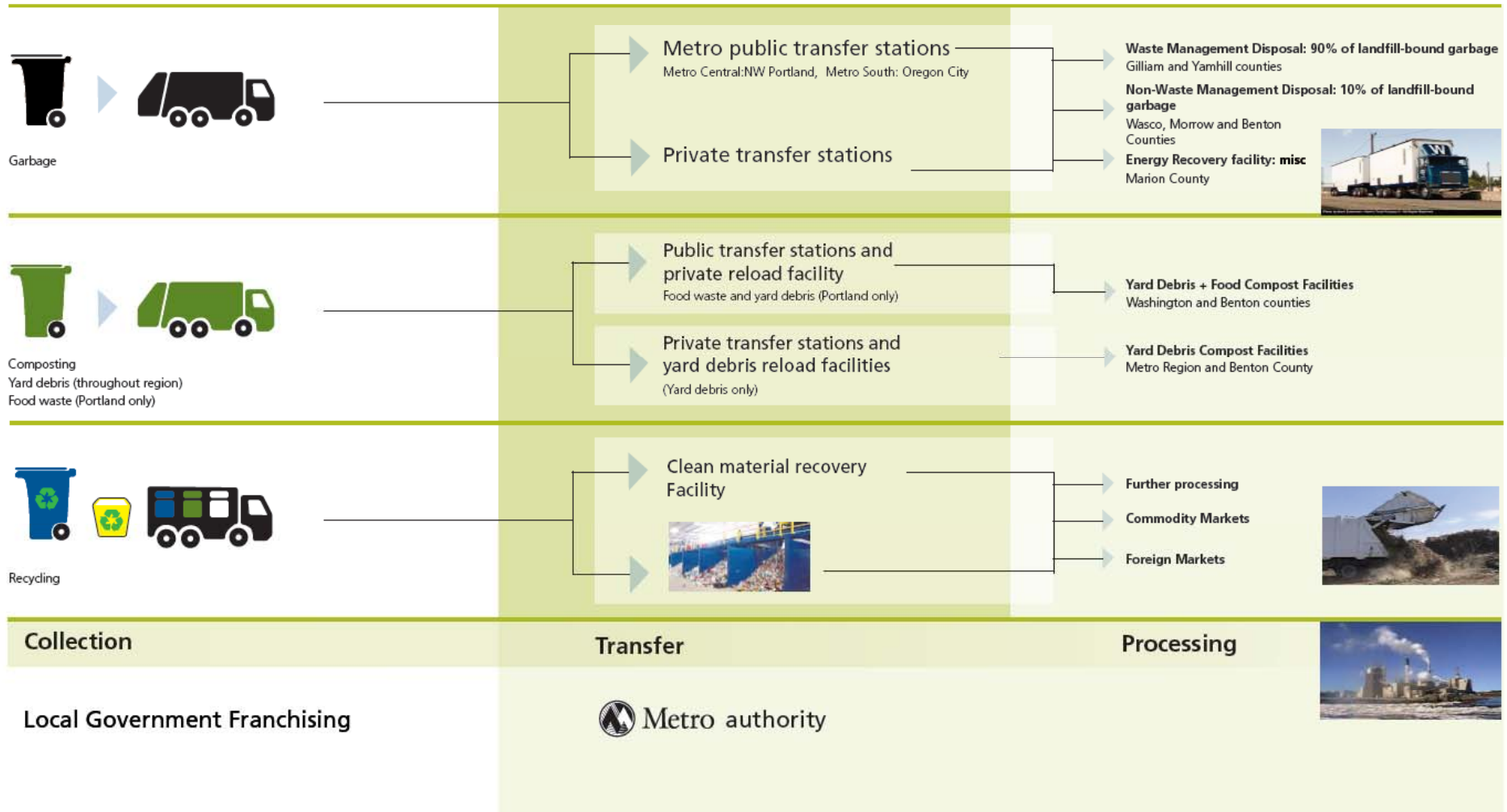
Proposed Code Updates in 2016:

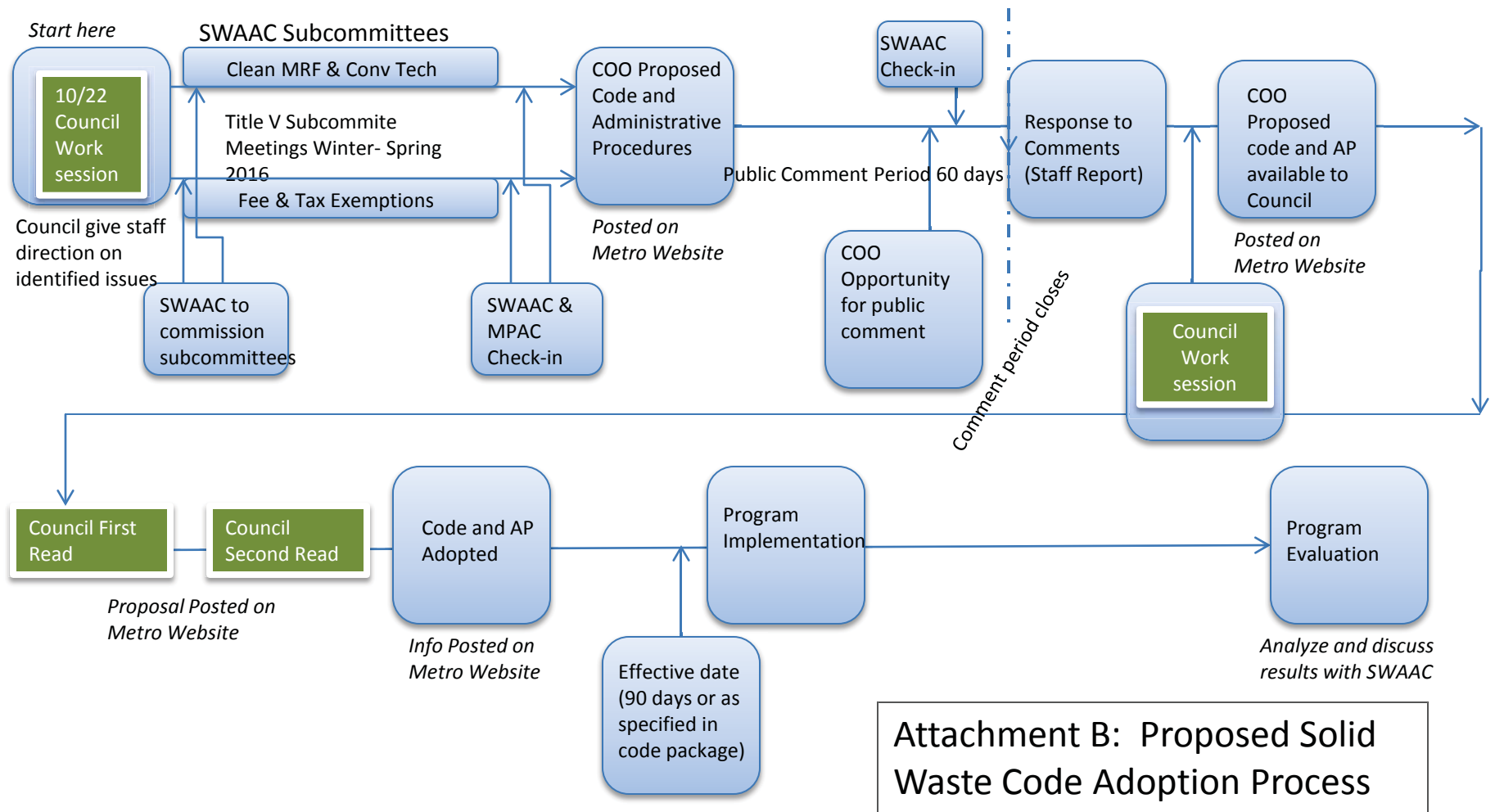
- Add, delete, and modify certain defined terms. Primarily housekeeping along with general formatting changes.
 - Incorporate the Roadmap's six public benefits as guides for Chapters 5.01 and 5.05.
 - Clarify types of materials that qualify for reduced fees and taxes - including cleanup waste, catch basin soil, street sweepings, and contaminated soil from excavation, construction and demolition projects.
 - Procedural changes including:
 - Authorize Chief Operating Officer (COO) to issue residential food waste authorizations rather than the Council;
 - Eliminate automatic granting of licenses and franchises;
 - Authorize COO to grant short-term extensions of licenses, franchises, and non-system licenses;
 - Eliminate 10-day call-up of licenses by Council;
 - Eliminate financial assurance requirements unless required by DEQ;
 - Eliminate pre-approval of ownership changes (move to notification process);
 - Adjust penalty amount in Chapter 5.01 from \$1,000 to \$500 for consistency;
 - Move non-system license application fees into table format for easier reference;
 - Require the use of certified scale weights when differentiating the amount of Metro area waste in mixed loads;
 - Clarify record retention requirements. Move compliant record retention from three years to one year;
 - Clarify license and franchise application submittal and renewal timeframes;
 - Streamline compliance process for non-system license violations and clarify penalty calculation for fee and tax payments;
 - Require the Council to consider changes in circumstance when determining whether to remove a facility from the list of designated facilities; and
 - Include administrative procedures process in Chapters 5.02 and 5.05.
 - General housekeeping – including formatting, sentence structure, and name changes.
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Other Potential Code Updates for Consideration in 2016:

- Eliminate licensing exemption for the following activities:
 - Wood waste processing facilities that only grind wood for use as boiler fuel;
 - Solid waste reloads; and
 - Electronic waste processing facilities that shred electronics or store the material outside.
- Eliminate inter-governmental agreement option (in lieu of a license) for local governments that operate yard debris facilities.

Metro | Solid Waste System Overview





Notes for Title V work:

Draft for discussion purposes only; Not all process steps depicted here.
 Read chronologically from left to right.
 Times/dates not indicated.
 SWAAC Subcommittees meet several times over winter/spring 2016; reports to SWAAC.

Staff Activities

Council Actions