

Metro | *Meeting minutes*

Meeting: Solid Waste Alternatives Advisory Committee (SWAAC)
Date: July 8, 2015
Place: Metro Regional Center, Council Chambers

Members present

Dan Blue, City of Gresham
Casey Camors, City of Milwaukie
Paul Ehinger, Metro
Scott Keller, City of Beaverton
Leslie Kochan, Oregon Dept. of Environmental Quality
Matt Korot, Metro
Mike Leichner, Pride Disposal
Amy Pepper, City of Troutdale
Keith Ristau, Far West Recycling

Members absent

Kathy Kaatz, City of Tualatin
Teresa Koppang, Washington County
Amy Roth, Association of Oregon Recyclers
Alando Simpson, City of Roses Disposal & Recycling
Bruce Walker, City of Portland

Guests

Jennifer Erickson, Metro
Rob Smoot, Metro

1. CALL TO ORDER AND DECLARATION OF A QUORUM

Chair Matt Korot called the meeting to order and declared a quorum.

2. COMMENTS FROM THE CHAIR AND COMMITTEE MEMBERS

Chair Korot reviewed the agenda items.

3. CONSIDERATION OF SWAC MINUTES FOR MAY 13, 2015

The minutes of the May 13, 2015 SWAAC meeting were approved with the addition of Casey Camors, City of Milwaukie as Member Present.

4. SOLID WASTE ROADMAP: FOOD SCRAPS PROCESSING CAPACITY

Jennifer Erickson, Metro, introduced draft options for actions Metro could take to ensure there is adequate capacity to process the region's food scraps. The options are intended to address the key barriers of supply and proximity previously identified and discussed with Council and SWAAC. She reviewed a menu of options that identified benefits, consequences

and likely impacts of options for generation, transfer and processing of commercial food scraps.

Generation

Options :

- Financial Incentives
 - Food scraps tip fees at Metro and/or private transfer stations are set substantially lower than solid waste, or
 - Local governments establish subsidized collection rates without tip fee adjustment.
- Required Recovery
 - Food-generating businesses are required to separate food scraps.
 - Haulers must provide collection service to those businesses.

Impacts may include:

- Financial Incentives
 - Little to no supply certainty.
 - Unknown how much cost reductions will incent participation.
- Required Recovery
 - Supply certainty greater.
 - Could be coupled with incentives.

Transfer

Options:

- Status Quo: each station decides
 - Currently commercial food scraps are handled only by Metro Central and WRI.
 - Other transfer stations may or may not choose to offer service.
- Require private stations to accept food scraps
 - Metro requires that some or all provide service, depending on regional need.
- Direct food to Metro stations
 - Metro directs all food scraps to its stations.

Impacts may include:

- Status Quo: each station decides
 - Lack of geographic equity of service.
 - No certainty that transfer capacity will be provided.
- Require private stations to accept food scraps
 - Provides greater geographic equity of service.
 - Would require operational and, possibly, capital equipment changes.
- Direct food to Metro stations
 - Lack of geographic equity of service.
 - Private facilities are not system participants.

Processing

Options:

- Status Quo: Transfer Stations decide
 - Food scraps go to processors chosen by each station.
- Metro procures processing for region.
 - Metro selects processor(s) for all of region's scraps.

- Metro offers financial assistance
 - Metro provides direct financial assistance (grants and loans).
- Metro builds or partners to build
 - Metro finances and builds a new facility alone or in partnership.
- Use distant processors.
 - Metro procures no new processing and utilizes existing distant capacity.

Impacts may include:

- Status Quo: Transfer Stations decide
 - Market-based decision.
 - Dilutes supply of food scraps.
 - No system coordination.
- Metro procures processing for region
 - Creates more stability in supply to limited number of processors.
 - May be more stability in tip fee.
- Metro offers financial assistance
 - May spur private investment and participation.
 - No system coordination.
- Metro builds or partners to build
 - Metro would direct food scraps to this facility.
 - May be more stability in tip fee.
 - Long-term commitment to a particular processing method.
- Use distant processors
 - Food scraps transported long distances, with higher transport emissions.
 - Reduced chance of NIMBY.
 - In most cases, processors are close to their end-product markets.

Committee input and questions

- Chair Korot reminded the committee that these will be presented to Council as a range of options, and they may combine some of the various choices presented. He asked SWAAC members for their input to shape the information for the Council.
- Mr. Blue commented that Gresham is using a 20% rate reduction for food scraps as an incentive for participation. The hope is to get businesses to at least a neutral cost position. It has helped get businesses on the edge of participation to join the program. Overall, the incentive is good to keep in the mix. It has opened the door for City staff to engage in conversations around food waste recycling. Mr. Blue feels incentives should be part of the Metro package.
- Ms. Kochan reminded the committee that recycling can be a disincentive to preventing waste. She likes the idea of providing incentives, e.g., free collection to businesses with food waste prevention and reuse practices.
- Mr. Keller noted that Beaverton uses a 50% rate reduction for businesses as an incentive and has had the same experiences as Mr. Blue related. The reduction is a great way to start discussions with businesses, but has had mixed results. Mr. Keller feels that the incentives would have to be over 50% in order to drive businesses into the program.
- Mr. Leichner feels that incentives, such as heavy/light rates, can save businesses with food scraps programs a little money. An interest of the hauling industry is that the

impact on all ratepayers is understood and that they or their elected officials are consulted before some customers are subsidized.

- Mr. Blue and Mr. Keller noted that the elected officials in their respective jurisdictions reviewed and approved the subsidies.
- Mr. Blue added that Gresham modeled its rate subsidy to try get 60-80 of the larger, heavy generators into the program, which would reduce disposal costs by the approximate amount of the incentive costs. They are at 45 businesses now.
- Ms. Pepper expressed that she did not believe Metro should have any role in local rate setting.
- Regarding required recovery, Mr. Keller noted that his concerns are a bit of a “chicken and egg” conundrum. We should not require recovery until we understand the rate implications and have incentives in place. He is concerned that neither the business sector nor the haulers are ready to implement a program without a lot of pain and angst.
- Mr. Blue does not think that a Business Recycling Requirement-style is the right approach, but would like to see a Metro-imposed standard and a disposal ban to get separated food waste flowing. He agrees that local governments should be allowed to build sufficient routes and then roll out the program.
- In regards to transfer services, Mr. Leichner would like for staff to communicate to Council that closer-in facilities will have greater relative emissions for shipping the end product to market than facilities that are farther out.
- Mr. Blue likes option two of the transfer services where private facilities are required to accept food waste. He would like the tip fees be the same at all facilities, and with an equal difference with garbage.
- Mr. Leichner commented that there is a need to factor in that private facilities have different operations and transportation costs and they cannot charge much more than Metro facilities in order to stay competitive.
- With regard to processing options, Mr. Blue would like to see a combination of Metro procuring processing for the region’s scraps and providing direct financial assistance through grants and loans. He thinks a stronger Metro role across all three sectors would advance the region’s work, and also sees the value of incentives.
- Mr. Leichner also like the idea of Metro setting standards for what is in and what is out of food scraps loads.
- Mr. Keller also likes the combined approach that Mr. Blue has drawn out; he would like to see a designated set of processors.
- Mr. Leichner commented that there were good reasons why the region ended up with a distant landfill; that may be a reality for food waste as well. It may be necessary from a practical perspective. Transportation impacts to a distant facility, in the form of greenhouse gases, could be mitigated.
- Ms. Erickson pointed out that there could be reduced emissions with alternative fuels and, although volatile organic compounds increase with compressed natural gas (CNG) fuels, there is a significant decrease in other pollutants. Mr. Leichner agreed and noted that maintenance of CNG vehicles is less expensive.
- Mr. Keller would like staff to remind Council of the emissions benefits derived from processing food waste versus landfilling it.

- Ms. Erickson responded that the benefits are ten-fold. Council wants to see a model of transportation and emission impacts to a distant facility.

5. **SOLID WASTE ROADMAP: LONG-TERM MANAGEMENT OF DISCARDS**

Rob Smoot and Paul Ehinger, Metro, presented the results of a request for expressions of interest for the long-term management of discards. There were a total of 19 responses, proposing six different technologies: advanced material recovery, waste-to-energy, gasification, anaerobic digestion, refuse-derived fuel and plastics-to-fuel. Each option was weighed for feasibility and impacts, with the following conclusions:

- Consider methods of employing Advanced Material Recovery:
 - This may be more policy than technology driven.
 - Consider phasing in options.
 - Consider impacts/risks to stakeholders and Metro.
 - Discuss with key stakeholders.
- Delay consideration of Dry Anaerobic Digestion of garbage until food scraps recovery has matured.
- Further explore conventional waste-to-energy options:
 - What are the economic impacts of the amount of waste to be guaranteed?
 - Where could or should the technology be sited?
 - What are financial risks to Metro and its stakeholders?
- Delay Gasification and Refuse-Derived Fuel.
 - Gasification is not ready for commercial use of the region's municipal solid waste.
 - It will be difficult to find markets in our region for Refuse-Derived Fuel.
- Proposed next steps include:
 - Reach out to conventional waste-to-energy providers to get details of implementation cost and schedule.
 - Develop alternatives for implementing Advanced Material Recovery in the region.
 - Stakeholder and public outreach.
- November: Council to decide which, if any, alternative technologies should be pursued for implementation.

Committee input and questions

- Mr. Blue asked if there is a way to insert costs into the continuum or if the options can be graded from least to most expensive. Mr. Smoot replied that the requests for expressions of interest did not ask for costs to be included in the responses. He said that annualized capital costs are included in the first report and the financial picture will emerge more fully with the next study. Mr. Ehinger noted that there are many nuances to the financial risks and it would be difficult to portray the costs in an equitable manner at this point in the juncture.

6. **CITIZEN COMMUNICATIONS TO SWAAC AGENDA ITEMS**

- Rick Winterhalter from Clackamas County commented on the food scraps options. He emphasized that Metro should really consider environmental costs, quantifying what that cost is for landfilling food and reflect that in a cost comparison. He noted also that local governments have been subsidizing heavy food generators like restaurants for years and need to figure out how to address that to better reflect real costs. He stated that he likes

the idea of Metro financing a local facility, particularly since there is already an approved site in Portland.

- Brian Heiberg of Heiberg Disposal commented on the food scraps options. He said the difficulty is getting the message out to the customer of what is acceptable and what is not; not having a single standard is a problem.
- Doug Drennen with J.R. Miller and Associates responded to Mr. Smoot's comment about delaying consideration of anaerobic digestion for the long-term management of discards. He observed that dry anaerobic digestion is a successful technology in Europe and becoming more popular and asked why is it being discounted in the Metro region? Mr. Smoot replied that the proposers reflected experiences in communities that have very different collection systems, so there is a concern that dry anaerobic digestion would not fit here without redoing the collection system, and that's not on the table. Mr. Drennen replied that there are places with source-separated organics programs that also successfully do dry anaerobic digestion.

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

Mr. Korot summarized the upcoming Council discussions:

July 21 Council Work Session: the food scraps processing capacity work discussed today and the Solid Waste Roadmap's transfer system configuration project.

July 28 Council Work Session: the long-term management of discards work discussed today.

August 4 Council Work Session: the Solid Waste Roadmap's landfill capacity policy project.

8. ADJOURN

Chair Korot adjourned the meeting at 11:25 a.m.