### BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ESTABLISHING A	)	ORDINANCE NO. 19-1441
NEW METRO CODE CHAPTER 5.08 THAT	)	
GOVERNS ADMINISTRATIVE RULEMAKING	)	Introduced by Acting Chief Operating Officer
AUTHORITY FOR METRO CODE TITLE V	)	Andrew Scott in concurrence with Council
	)	President Lynn Peterson

WHEREAS, the Metro solid waste code is set forth in Title V of the Metro Code; and

WHEREAS, Chapters 5.01, 5.02, 5.05, 5.06, 5.09, and 5.10 in Title V each have their own sections that govern administrative rulemaking procedures for those specific code chapters; and

WHEREAS, consolidating those multiple administrative rulemaking sections into a new "Administrative Rulemaking" chapter that governs the entire Metro Code Title V would ensure that the procedures are uniform throughout Metro Code Title V; and

WHEREAS, in the current administrative rulemaking procedures the timing of the oral hearing in relation to the general public comment period is confusing, thus requiring a revision to clarify the timing; and

WHEREAS, staff solicited input from the public on establishing new Metro Code Chapter 5.08 by providing a 30-day public comment period during August and September 2019 and hosting a public informational meeting on September 9, 2019; and

WHEREAS, the Metro Council finds that establishing a new Metro Code Chapter 5.08 to govern administrative rulemaking procedures for the entire solid waste code will provide greater clarity for the public and create consistent, transparent and objective procedures for adopting administrative rules that further implement the requirements of Metro Code Title V; now therefore,

### THE METRO COUNCIL ORDAINS AS FOLLOWS:

- 1. Metro Code Title V, Solid Waste, is amended to add a new Metro Code Chapter 5.08, ("Administrative Rulemaking Authority for Title V"), as set forth in the attached Exhibit A.
- 2. Metro Code Section 5.01.280 is repealed.
- 3. Metro Code Section 5.02.170 is repealed.
- 4. Metro Code Section 5.05.260 is repealed.
- 5. Metro Code Section 5.06.100 is repealed.
- 6. Metro Code Section 5.09.170 is repealed.
- 7. Metro Code Section 5.10.080 is repealed.

ADOPTED by the Metro Council this 21<sup>st</sup> day of November 2019.

Lynn Peterson, Council President

Attest:

Sara Farrokhzadian, Recording Secretary

Approved as to Form:

Carrie MacLaren, Metro Attorney

## **EXHIBIT A TO ORDINANCE NO. 19-1441**

## **CHAPTER 5.08**

## ADMINISTRATIVE RULEMAKING AUTHORITY FOR TITLE V

5.08.010	Purpose
5.08.020	Chief Operating Officer May Adopt Rules
5.08.030	Public Comment Opportunity Required
5.08.040	Oral Hearing; Requirements
5.08.050	Adoption of Administrative Rules
5.08.060	Effective Date of Administrative Rules
5.08.070	Temporary Rules; Adoption and Effective Date
5.08.080	Writ of Review; Final Decision
5.08.090	Prior Rules, Performance Standards and Forms Remain in Effect
5.08.100	Agency-wide Rulemaking Procedures Supersede this Chapter

# 5.08.010 Purpose

The purpose of this chapter is to set forth consistent, transparent and objective procedures for adopting administrative rules that further implement the obligations and requirements of Metro Code Title V.

# 5.08.020 Chief Operating Officer May Adopt Rules

The Chief Operating Officer may adopt or amend rules to implement any provision of Title V (Solid Waste). Any rule adopted or amended under this chapter has the same force and effect as any other chapter provision in Title V.

## 5.08.030 Public Comment Opportunity Required

Before the Chief Operating Officer adopts or amends a rule, the Chief Operating Officer must provide an opportunity for written public comment for a period of at least 30 days. The Chief Operating Officer will provide notice of the public comment period in a manner reasonably calculated to reach interested parties. The notice will include a brief description of the proposed rule; the location at which a person may obtain a copy of the full text of the proposed rule; the method for submitting public comments; and the deadline for submitting public comments.

## 5.08.040 Oral Hearing; Requirements

(a) In addition to written public comments, the Chief Operating Officer will also hold an oral hearing on any proposed rule or amendment to an existing rule during the written comment period. Metro will give notice of and schedule the oral hearing at the same time that it makes available the proposed rules, provided that the oral hearing cannot be scheduled less than 10 days from the notice date. The notice will include the time,

# **EXHIBIT A TO ORDINANCE NO. 19-1441**

- place, and purpose of the oral hearing, a brief description of the proposed rule, and the location at which a person may obtain copies of the full text of the proposed rule.
- (b) During the oral hearing, the Chief Operating Officer will receive any offered written or oral testimony regarding the proposed rule, in addition to any written comments received during the written public comment period.

# 5.08.050 Adoption of Administrative Rules

- (a) After the written public comment period is closed, the Chief Operating Officer may adopt the rule as originally proposed, adopt a modified version of the proposed rule, or reject the proposed rule.
- (b) If the Chief Operating Officer intends to adopt a substantially modified version of the proposed rule, the Chief Operating Officer must provide a notice of opportunity to comment on the proposed modifications along with a copy of the text of the new proposed changes to each person who has provided contact information and has either submitted written comments on the proposal, testified at the oral hearing, or asked to receive a notice of proposed modifications. Metro must also post the notice on its website. The public has 15 days from the notification date to provide written comment on the proposed modifications, but no further public hearing is required. After the 15-day comment period ends, the Chief Operating Officer may adopt the proposed rule.

## **5.08.060** Effective Date of Administrative Rules

With the exception of a temporary rule, any rule adopted under this chapter takes effect 30 days after the Chief Operating Officer adopts it, unless the Chief Operating Officer specifies a later effective date.

## 5.08.070 Temporary Rules; Adoption and Effective Date

Notwithstanding Sections 5.08.030 (Public Comment) and 5.08.040 (Oral Hearing), the Chief Operating Officer may adopt a temporary rule without prior public notice, written comment or hearing upon a written finding that a failure to act promptly will result in serious prejudice to the public interest or the interest of an affected party. The Chief Operating Officer must include the specific reasons for the serious prejudice. Any rule adopted pursuant to this section expires no later than 180 days from its effective date.

## 5.08.080 Writ of Review; Final Decision

For purposes of ORS 34.020, any rule adopted by the Chief Operating Officer under this chapter is considered a final decision.

# **EXHIBIT A TO ORDINANCE NO. 19-1441**

# 5.08.090 Prior Rules, Performance Standards and Forms Remain in Effect

Any form, performance standard, or administrative rule (formerly known as an "administrative procedure") that is in effect on the date when this chapter is adopted continues to remain in effect unless otherwise repealed or amended.

# 5.08.100 Agency-wide Rulemaking Procedures Supersede this Chapter

If the Metro Council establishes rulemaking procedures that are applicable agency-wide, then the rulemaking procedures set forth in this chapter are superseded by the agency-wide procedures.

IN CONSIDERATION OF ORDINANCE NO. 19-1441 FOR THE PURPOSE OF ESTABLISHING A NEW METRO CODE CHAPTER 5.08 THAT GOVERNS ADMINISTRATIVE RULEMAKING AUTHORITY FOR METRO CODE TITLE V

Date: October 24, 2019 Prepared by: Warren Johnson

(503) 797-1836

warren.johnson@oregonmetro.gov

Department: PES Presenter(s): Warren Johnson

Meeting date: November 7, 2019 Length: 5 minutes

### **ISSUE STATEMENT**

Metro staff seeks to update and improve Metro's solid waste code (Metro Code Title V) and administrative rules to provide greater clarity and predictability for the public and those that are directly involved in the region's solid waste system.

# **ACTION REQUESTED**

Adopt Ordinance No. 19-1441 to establish a new Metro Code Chapter 5.08 (Administrative Rulemaking Authority for Title V) to set forth consistent, transparent and objective procedures for adopting administrative rules that further implement the requirements of Metro Code Title V.

## **IDENTIFIED POLICY OUTCOMES**

The proposed ordinance will repeal all chapter-specific administrative rulemaking procedures throughout Metro Code Title V and establish a new Chapter 5.08 (Administrative Rulemaking Authority for Title V) that will govern administrative rulemaking for the entire solid waste code.

# **POLICY QUESTION(S)**

Should Metro Council repeal all chapter-specific administrative rulemaking procedures and establish a new Metro Code Chapter 5.08 that will govern administrative rulemaking for the entire solid waste code (Title V)?

## POLICY OPTIONS FOR COUNCIL TO CONSIDER

1. Approve the ordinance as proposed to repeal all chapter-specific administrative rulemaking procedures and establish new Metro Code Chapter 5.08 as described in this staff report. This option will result in making the code easier to understand and

- more consistent by establishing a uniform administrative rulemaking process for the entire solid waste code. There are no known financial implications associated with the option.
- 2. Amend the ordinance to adopt other revisions to Metro Code Chapter 5.08 that are different than those described in this staff report. The potential effects and financial implications of this option are unknown at this time because they would be dependent on the scope of the alternate proposal.
- 3. Do not approve the ordinance. This option will result in maintaining status quo. There are no known financial implications associated with the option.

## **STAFF RECOMMENDATIONS**

Staff recommends approval of Ordinance No. 19-1441 to repeal all chapter-specific administrative rulemaking procedures throughout Metro Code Title V and establish a new Chapter 5.08 that will govern administrative rulemaking for the entire solid waste code.

## STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

Approval of this ordinance would result in changes to the Metro solid waste code that:

- 1) Establish a new Metro Code Chapter 5.08 that will govern the administrative rulemaking process for the entire solid waste code;
- 2) Update administrative rulemaking procedures to clarify the timing of an oral hearing during a public comment period; and
- 3) Repeal all chapter-specific administrative rulemaking procedures from Metro Code Chapters 5.01, 5.02, 5.05, 5.06, 5.09, and 5.10.

### KNOWN OPPOSITION

There is no known opposition to establishing a new chapter to govern the administrative rulemaking process for the entire solid waste code. However, Metro received a comment requesting changes to Metro's current administrative rulemaking procedures. Metro also received several other comments that were outside the scope of these proposed code updates and housekeeping improvements. A fuller description of those comments and Metro staff's response to those comments are provided as Attachment 1 to this report.

Staff does not recommend any additional changes to Metro's administrative rulemaking procedures other than those provided in Exhibit A. These proposed updates are not intended to alter current policy or make substantive changes to the code unless the Metro Council directs otherwise.

### PUBLIC OUTREACH

Metro staff notified interested parties via email of the proposed updates and housekeeping improvements to Metro Code Title V. The proposed code chapters, draft administrative rules, and a summary of the proposed changes were also posted on Metro's website.

Metro provided an opportunity for the public to review and submit comments on the proposed updates and housekeeping improvements. The public comment period was open from August 12 through September 13, 2019. Metro staff also held an informational meeting for the public on September 9, 2019, to present more information about the proposed code changes, answer questions, and solicit input. The meeting was attended by four industry representatives and four representatives of government organizations.

As previously mentioned, during the comment period Metro received several comments about various aspects of the proposed code updates and housekeeping improvements. A fuller description of those comments and Metro staff's response to those comments are provided as Attachment 1 to this report.

### LEGAL ANTECEDENTS

Metro Charter, Title V of the Metro Code and ORS Chapters 268 and 459.

### ANTICIPATED EFFECTS

Approval of this ordinance would result in repealing all chapter-specific administrative rulemaking procedures from Metro Code Chapters 5.01, 5.02, 5.05, 5.06, 5.09, and 5.10 and establishing new Metro Code Chapter 5.08 that will govern the administrative rulemaking process for the entire solid waste code.

### **BUDGET IMPACTS**

There are no expected budget impacts associated with the adoption of this ordinance.

## **BACKGROUND**

Over the past few years and at the direction of the Metro Council, Metro staff has been working to update Metro's solid waste code and administrative rules to provide greater clarity and predictability for the public and for those directly involved in the region's garbage and recycling system. These efforts have sought to remove unnecessary and outdated provisions, improve readability, clarify terms, and enable greater flexibility for Metro to protect the public's interest and respond to sudden changes in markets for various types of materials.

The proposed ordinance establishes a new chapter (Metro Code Chapter 5.08) for the purpose of standardizing and consolidating all of the administrative rulemaking procedures for Title V in a central location. The proposed ordinance also amends each of

the other chapters in Title V to remove all chapter-specific administrative rulemaking provisions.

# **ATTACHMENTS**

- Exhibit A
- Attachment 1

# ATTACHMENT 1 TO STAFF REPORT FOR ORDINANCE NO. 19-1441

Metro's Response to Comments on Proposed Changes to Metro Code Title V October 24, 2019

Over the past few years and at the direction of the Metro Council, Metro staff has been working to update Metro's solid waste code and administrative rules to provide greater clarity and predictability for the public and for those directly involved in our region's solid waste system. To provide more clarity regarding the relationship between the regional system fee and Metro's own transfer station fees, Metro staff proposed a series of updates to four new or revised chapters of Metro Code.

On August 12, 2019, Metro opened a 30-day public review and comment period to solicit input on a series of proposed updates and housekeeping improvements to Metro Code Chapters 5.00, 5.02, 5.03 and 5.08. The public comment period was open from August 12 through September 13, 2019. Metro staff also held a public informational meeting on September 9, 2019, to present more information about the proposed code changes, answer questions, and solicit input. The comments received from the public during that time and Metro's responses are summarized below.

# 1) Terrell Garrett - Greenway Recycling (letter dated August 12, 2019):

• Mr. Garret's Comment #1: Our primary comment is focused on the concept of bringing formal Administrative Rulemaking to Metro. This is a great idea and should have happened years ago. Well formed, it needs a couple of additions to make it workable for the public, industry, government, and Metro. There is no defined "Board" of decision makers to speak to. As presented, the Chief Operating Officer may have a "designee" oversee a hearing and then others not in attendance may make the decision. I want to talk to the decision maker(s). Anything short of that is just lip service and will denigrate the process. Next, there is no provision for oversight. No oversight board nor appeal to Council. This places too much power in the hands of one person and leaves room for capricious behavior and is not indicative of a proper participatory public process that balances the needs of local governments, the public, industry, and regional government.

Metro's Response to Mr. Garrett's Comment #1: The addition of a new Chapter 5.08 (Administrative Rulemaking) simply moves Metro's *current* administrative rulemaking sections to a new chapter and does not alter Metro's current rulemaking process, which has been in effect for several years. Currently, Metro Code has chapter-specific administrative rulemaking procedures in Chapters 5.01, 5.02, 5.05, 5.06, 5.09, and 5.10. The proposed code updates are housekeeping measures that would standardize and consolidate Metro's current administrative rulemaking procedures for Metro Code Title V in a central location.

In practice, administrative rules do not create new "policy" but merely interprets and implements the Metro Council's policy decisions as reflected in Code. Metro's administrative rulemaking process is modeled after Oregon's Administrative Procedures Act, but it has been tailored to better address the needs and practices of the regional government.

Although there is an opportunity for public comment before a proposed rule is adopted, there is generally not an "appeal" right if a particular individual or business is dissatisfied with the proposed rule, unless there is an allegation that the rule violates law or was adopted without following the proper process. The appropriate appeal venue for those types of allegations would be in circuit court because they are legal challenges and not simply policy disagreements. Metro's current administrative rulemaking process provides that same opportunity in those situations. With the exception of a minor change to clarify the timing of when an oral hearing is to be held, the current administrative rulemaking process is completely unchanged from that which Metro has had for several years.

Staff does not recommend any additional changes to the proposed code updates in response to the above-referenced comment. The proposed updates and housekeeping improvements are not intended to alter current policy or make substantive changes to the code unless the Metro Council directs otherwise.

• Mr. Garrett's Comment #2: Solid Waste Fees at Metro Transfer Stations, proposed Chapter 5.03 continue to ignore the "discrete" services offered by Metro and Chapter III, Section 15 of the Metro Charter by providing a "blended" rate which is in violation of these parameters.

<u>Metro's Response to Garrett's Comment #2:</u> The fees that Metro charges for solid waste disposal services at its transfer stations comply with the Metro Charter.

Staff does not recommend any additional changes to the proposed code updates in response to the above-referenced comment. The proposed updates and housekeeping improvements are not intended to alter current policy or make substantive changes to the code unless the Metro Council directs otherwise.

• Mr. Garrett's Comment #3: Since this is an opportunity to clean up and change Code, we would like to comment on existing parts of the Code which have not been addressed by Staff. Within Definitions, term such as "Recoverable Solid Waste," "Recyclable Material," and "Recycling" seem to muddle together and wander somewhat from State law which requires Metro to utilize DEQ definitions. This needs to be cleaned up.

Metro's Response to Mr. Garrett's Comment #3: Metro is a home rule local government that has independent charter and statutory authority to manage the

Response to Comments Metro Code Title V October 24, 2019

region's solid waste system. Metro's definitions for solid waste, including recyclable materials, may differ from the state's definitions because of Metro's independent authority to regulate solid waste.

Staff does not recommend any additional changes to the proposed code updates in response to the above-referenced comment. The proposed updates and housekeeping improvements are not intended to alter current policy or make substantive changes to the code unless the Metro Council directs otherwise.

• Mr. Garrett's Comment #4: Second, 5.02.030(d)(2) utilizes the concept of a "zero" tip fee. We all know that curbside recycling markets today demand a negative revenue price, in fact, quite close to that of disposal. In today's Wall Street Journal, certain bonds have dipped into negative returns. In other words, even the bond market recognizes negative pricing. This Code section is archaic and out of date. Similar to curbside recycling, this Code section should be changed to reflect "accepted at the disposal site at a fee lesser than that of disposal." This mirrors concepts presented in ORS 459 and ORS 459a and recognizes the current state of markets.

Metro's Response to Mr. Garrett's Comment #4: Metro is a home rule local government that has independent charter and statutory authority to manage the region's solid waste system. Metro's definition of source-separated recyclables does not completely align with the state's definition because of Metro's independent authority to regulate solid waste. Oregon's statutory definition differs from Metro's by inclusion of a criterion that essentially states that a recyclable material is only defined as recyclable if it costs less to recycle it than it does to landfill it. In effect that means that if it costs more to collect, process and sell a recyclable than it would to collect, transfer and dispose of that material in a landfill, it is no longer a recyclable.

Metro's definition reflects a belief that the statute is overly narrow because it does not take into account externalities associated with the value of recyclables and the costs associated with disposal. There are quantifiable values associated with the environmental benefits from recycling and quantifiable environmental costs associated with burying recyclables in a landfill that are not reflected in hauling, transfer, processing and landfilling fees and rates. Metro's definition allows for consideration of these factors when developing policies, programs and regulations related to recycling.

Staff does not recommend any additional changes to the proposed code updates in response to the above-referenced comment. The proposed updates and housekeeping improvements are not intended to alter current policy or make substantive changes to the code unless the Metro Council directs otherwise.

Mr. Garrett's Comment #5: ...final comment regarding changes that should be made to existing Code is both in the Definitions and 5.02.110 regarding the use of Regional System Fees. McCann v. Rosenblum stated "A tax is any contribution imposed by government upon individuals, for the use and service of the state. A fee, by contrast is imposed on persons who apply for and receive a government service that directly benefits them." Further, Qwest Corp. v. City of Surprise said "the distinction between a tax and a fee is whether the "charge is expended for general public purposes, or used for the regulation and benefit of the parties upon whom the assessment is imposed." Rogue Valley Sewer Services v. City of Phoenix stated "A fee, then, is imposed on particular parties and is used to regulate or benefit those parties rather than being used for general public purposes or to raise revenue for such purposes." This regional system fee is not due from the public, but rather from those who present the material for landfill disposal. Metro, as a governmental entity, collects and manages this fee and the regulation of those who pay it. Based upon the case law above, we fail to understand how our money paid for regional system fees benefits us when used to regulate or subsidize an unrelated entity such as a compost operation, clean MRF, or other entity that does not pay these fees. Further, we fail to understand how Metro's use of these fees to pay for its own facilities that compete against us is beneficial to us.

Granted, Metro is entitled to the benefit of these fees as Metro pays them just as we do. However, if Metro is to benefit from the fees for its own plant, property, and equipment, all others who pay the fees should receive their proportional share.

Metro's Response to Mr. Garrett's Comment #5: Metro agrees with the general concept regarding the distinction between a fee and a tax. However, Metro believes the commenter is interpreting the law too narrowly. The law does not require that only those that pay a fee may benefit from the fee, but rather that those funds be used to pay for program (or system) costs. As an example, a fishing permit fee may be used in part to fund fish conservation efforts or educational classes that benefit the environment and public at large, in addition to benefitting those paying the actual fishing permit fee.

Per state statute, Metro's regional system fee may be used to fund a broad array of services and activities related to solid waste management. ORS 459.335 provides that Metro may use its regional system fee for activities "related to solid waste, including activities of regional concern that are directly related to reducing the environmental impact from the generation, collection, transportation, processing and disposal of solid waste" as well as the "planning, administrative and overhead costs for activities related to solid waste." Thus, the legislature has provided explicit authority for Metro to use regional system fees for various solid waste related activities that benefit the public at large in addition to those paying the fee directly.

Contrary to the assertion that Metro uses regional system fees "to pay for its own facilities," Metro in fact uses its transfer station fees (and not regional system

fees) to primarily fund the direct costs of operations at Metro facilities. Regional system fees would only be used in a manner allowed by state statute. Finally, Metro disagrees with the underlying premise that the public transfer stations "compete" with private solid waste facilities. The public transfer stations serve all customers and the public stations provide an array of services to the public that are not provided by privately-owned solid waste facilities. Metro's public facilities are not comparable to private facilities.

Staff does not recommend any additional changes to the proposed code updates in response to the above-referenced comment.

## 2) Bruce Walker - City of Portland (email dated September 11, 2019):

• Mr. Walker's Comment: The City of Portland is supportive of changing the requirement that Metro fees and the regional system fee can be established by resolution:

Remove the requirement that Metro fees and the regional system fee be set by ordinance. Council can now establish these amounts by resolution and they can take effect 30 days after adoption. This avoids the need to wait 90 days for rates to take effect and allows the Metro Council to be more responsive to changing market conditions that may require modified or new rates.

However, Portland does have concerns regarding the timing of Metro Council approval of the fees. Metro fees are an important component of the solid waste ratemaking process and Portland develops rates that haulers charge customers during March and April of each year. Portland City Council needs to approve rates in May for implementation on July 1st. Therefore, the current schedule where Metro approves fees in March works very well for our rate review. Delaying provision of Metro fees until late spring would pose significant problems for our process. Portland supports the change for Metro adopting fees by resolution and requests that Metro establish in administrative rules that notice of the new fee schedule be provided to local governments in March of each year.

Metro's Response to Mr. Walker's Comment: Metro understands that it is important for local governments to have timely disposal rate information to inform their annual solid waste rate review process. However, staff is not recommending any changes to the timing or process of Metro's annual feesetting that generally occurs in March. As it has always done, Metro will continue to provide its local government partners with the most complete and accurate fee information available by March 31 each year.

It should be noted that current code language does not require that the Metro Council set fees in March. The Metro Council can set fees at any time and the proposed code changes do not alter that. However, having fees adopted by resolution rather than by ordinance allows the Metro Council to be more flexible and responsive if fees need to be changed quickly to address rapidly changing

market conditions, system disruptions or the addition of a new waste stream. Again, the proposed changes do not affect the process or timing for setting fees; they merely provide flexibility for when those fees can legally become effective.

Staff does not recommend any additional changes to the proposed code updates in response to the above-referenced comment.

# 3) Shannon Martin - City of Gresham (email dated September 11, 2019):

• Mr. Martin's Comment: Thank you for the opportunity to comment on Metro's proposed solid waste code changes. Gresham is in support of Metro adopting fees by resolution. However, it is important for local governments to receive fee changes in advance of our rate review process. Having Metro commit to providing local governments with fee change information no later than March 31st is necessary for us to have in order to complete our rate review process.

Gresham Council needs to approve rates by May in order for us to notify customers 30 days in advance before a July 1st adjustment.

<u>Metro's Response to Mr. Martin's Comment:</u> Refer to Metro's response to Mr. Walker's comment above.

# 4) Theresa Koppang - Washington County (email dated September 11, 2019):

• Ms. Koppang's Comment: Thank you for sharing information regarding proposed changes to Metro's solid waste code at the last local government solid waste directors meeting. Washington County supports the changes you outlined regarding the requirement that Metro fees and the regional system fee be established by resolution.

And while the timing of Metro Council approval of the fees is not as critical to Washington County's rate-making process, it is a concern to other jurisdictions. Therefore, I'm requesting that notice of the new fee schedule be made available to local governments by March 31 of each year.

<u>Metro's Response to Ms. Koppang's Comment:</u> Refer to Metro's response to Mr. Walker's comment above.

## 5) Rick Winterhalter - Clackamas County (email dated September 13, 2019):

• Mr. Winterhalter's Comment: I believe you heard from Clackamas in the August 29th meeting regarding the importance of ensuring we have the disposal rate information from Metro early in our annual review process. This note is to support the comments provided by our regional partners. Please explicitly state in the Rules that Metro will provide the other local governments transfer station fee information no later than March 31 of each year.

<u>Metro's Response to Mr. Winterhalter's Comment:</u> Refer to Metro's response to Mr. Walker's comment above.

# 6) Peter Brandom - City of Hillsboro (email dated September 13, 2019):

• Mr. Brandom's Comment #1: Expanding on the comment below, the revised Administrative Rules are severely deficient without either a chapter dedicated to Solid Waste Rates at Private Transfer Stations or inclusion of specific rate setting rules for private stations in the proposed chapters (5.03, AR 5.03-1000 through 1080), and any needed adjustments to other chapters, Rules or Definitions. This should include specific descriptions and justifications for all fees charged at private stations (5.02 or separate chapter with the same scope for private facilities). The lack of a chapter to regulate rate setting at facilities that are authorized by Metro to operate within the regional system presents a big void in the system, and we've seen how the private operators have taken advantage of this void. Just like cities and counties regulate collection rates of private companies operating within the system, private facilities should be regulated just like the public facilities. There should be no distinction between public and private facilities in this regard.

Metro's Response to Mr. Brandom's Comment #1: Metro does not currently exercise its authority to regulate rates at privately-owned transfer stations. However, Metro is taking steps to establish greater rate transparency and help its local government partners better understand the rates charged at transfer stations. As part of this effort, Metro has prepared estimates of the costs of service offered at publically and privately-owned facilities and shared that information with local governments. Later this year the Metro Council will consider whether to perform a more detailed rate review or implement other measures with respect to rates at privately-owned facilities.

Staff does not recommend any additional changes to the proposed code updates in response to the above-referenced comment. The proposed updates and housekeeping improvements are not intended to alter current policy or make substantive changes to the code unless the Metro Council directs otherwise.

• Mr. Brandom's Comment #2: Please explicitly state in the Rules that Metro will provide the other local governments transfer station fee information no later than March 31 of each year.

<u>Metro's Response to Mr. Brandom's Comment #2:</u> Refer to Metro's response to Mr. Walker's comment above.

• Mr. Brandom's Comment #3: Not seeing it explicitly in 5.03.060 or elsewhere, does Metro rate setting process include a review of "...all sources and uses of funds that affect the solid waste revenue fund budget..." for the prior calendar year? If not, and if that is part of the rate review process, that should be explicit. A clear and

transparent picture of year-to-year budget requirements (i.e., specifically how revenues are used by Metro) has not been as apparent as it should be.

Metro's Response to Mr. Brandom's Comment #3: Metro already considers "...all sources and uses of funds that affect the solid waste revenue fund budget..." as part of its annual budget process. Metro's budget is developed through a public process and readily accessible on Metro's website. The Metro Council determines Metro's transfer station fees based on budget considerations.

Staff does not recommend any additional changes to the proposed code updates in response to the above-referenced comment.

• Mr. Brandom's Comment #4: Consider defining "Mixed Waste Loads" in 5.00 (reference in 5.02.050) to clarify meaning.

Metro's Response to Mr. Brandom's Comment #4: Staff finds it unnecessary to add "mixed waste loads" as a defined term in Metro Code Chapter 5.00. Staff does not recommend any additional changes to the proposed code updates in response to the above-referenced comment.

• Mr. Brandom's Comment #5: Note existing typo in 5.03.040(c).

<u>Metro's Response to Mr. Brandom's Comment #5:</u> The typo has been corrected.

- 7) The following comment is an excerpt from a letter submitted by the Clackamas Refuse and Recycling Association, Portland Haulers' Association and Washington County Haulers' Association (letter dated September 13, 2019):
  - <u>Hauler Associations' Comment:</u> While we understand the need for Metro staff to have independent authority and flexibility to change Metro's fees, we do have concerns. Specifically we are concerned that:
    - Cutting two months off the public process from the current 90 days to 30 days
       provides less time and arguably less opportunity for full public input and participation and
    - Shortening the time may create added challenges to align Metro's fee increases so those added costs can be included as part of the local government rate setting process.

As a result, the Clackamas Refuse and Recycling Association, Portland Haulers' Association and Washington County Haulers' Association ask that Metro continue to provide a required 90 day public process before adjusting Metro fees.

<u>Metro's Response to Hauler Associations' Comment:</u> The proposed code changes do not shorten the time or opportunity for public input and participation during Metro's fee-setting process. Metro is not proposing any change to the fee-setting process itself. Interested parties, local governments and regulated entities will

Response to Comments Metro Code Title V October 24, 2019

still have the same amount of time and a full opportunity for public input and participation before the Metro Council sets fees. The only change is that the effective date of those fees will no longer require a mandatory 90-day waiting period as is required when Metro Council takes action by ordinance rather than by resolution.

As previously explained in Metro's response to Mr. Walker above, staff is not recommending any changes to the timing or process of Metro's annual feesetting that generally occurs in March. The proposed changes merely provide flexibility for when those fees can legally become effective.

TERRELL GARRETT
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MILWAUKIE, OR 97267
(503) 793-9238
12 August 2019

Metro Council 600 NE Grand Ave. Portland, OR 97232

Re: Comments on proposed changes to Chapter 5

**Dear Council President Peterson and Councilors:** 

Remarkedly, GreenWay Recycling has only a few comments on the proposed changes to Chapter 5. Conceptually and mostly in practice, this is a piece of legislation that we support.

Our primary comment is focused on the concept of bringing formal Administrative Rulemaking to Metro. This is a great idea and should have happened years ago. Well formed, it needs a couple of additions to make it workable for the public, industry, government, and Metro. There is no defined "Board" of decisionmakers to speak to. As presented, the Chief Operating Officer may have a "designee" oversee a hearing and then others not in attendance may make the decision. I want to talk to the decisionmaker(s). Anything short of that is just lip service and will denigrate the process. Next, there is no provision for oversight. No oversight board nor appeal to Council. This places too much power in the hands of one person and leaves room for capricious behavior and is not indicative of a proper participatory public process that balances the needs of local governments, the public, industry, and regional government.

Solid Waste Fees at Metro Transfer Stations, proposed Chapter 5.03 continue to ignore the "discrete" services offered by Metro and Chapter III, Section 15 of the Metro Charter by providing a "blended" rate which is in violation of these parameters.

Since this is an opportunity to clean up and change Code, we would like to comment on existing parts of the Code which have not been addressed by Staff. Within Definitions, terms such as "Recoverable Solid Waste", "Recyclable Material", and "Recycling" seem to muddle together and wander somewhat from State law which requires Metro to utilize DEQ definitions. This needs to be cleaned up.

Second, 5.02.030 (d) (2) utilizes the concept of a "zero" tip fee. We all know that curbside recycling markets today demand a negative revenue price, in fact, quite close to that of disposal. In today's Wall Street Journal, certain bonds have dipped into negative returns. In other words, even the bond market recognizes negative pricing. This Code section is archaic and out of date. Similar to curbside recycling, this Code section should be changed to reflect "Accepted at the disposal site at a fee lesser than that of disposal." This mirrors concepts presented in ORS 459 and ORS 459a and recognizes the current state of markets.

The third and final comment regarding changes that should be made to existing Code is both in the Definitions and 5.02.110 regarding the use of Regional System Fees. McCann v. Rosenblum stated "A tax is any contribution imposed by government upon individuals, for the use and service of the state. A fee, by contrast is imposed on persons who apply for and receive a government service that directly benefits them." Further, Qwest Corp. v. City of Surprise said "the distinction between a tax and a fee is whether the "charge is expended for general public purposes, or used for the regulation and benefit of the parties upon whom the assessment is imposed."" Rogue Valley Sewer Services v. City of Phoenix stated "A fee, then, is imposed on particular parties and is used to regulate or benefit those parties rather than being used for general public purposes or to raise revenue for such purposes." This regional system fee is not due from the public, but rather from those who present the material for landfill disposal. Metro, as a governmental entity, collects and manages this fee and the regulation of those who pay it. Based upon the case law above, we fail to understand how our money paid for regional system fees benefits us when used to regulate or subsidize an unrelated entity such as a compost operation, clean mrf, or other entity that does not pay these fees. Further, we fail to understand how Metro's use of these fees to pay for its own facilities that compete against us is beneficial to us.

Granted, Metro is entitled to the benefit of these fees as Metro pays them just as we do. However, if Metro is to benefit from the fees for its own plant, property, and equipment, all others who pay the fees should receive their proportionate share.

Sincerely,

**Terrell Garrett** 

From: Walker, Bruce [Bruce.Walker@portlandoregon.gov]

Sent: Wednesday, September 11, 2019 9:47 AM

To: Warren Johnson

Subject: [External sender] RE: Requesting your comments on proposed changes to Metro's solid

waste code

Categories: CODE COMMENTS

CAUTION: This email originated from an External source. Do not open links or attachments unless you know the content is safe.

### Warren -

I'm resubmitting my comments with a clarification that Metro include in their administrative rules a commitment to sending fee info to local govts. by March 31.

Thanks! Bruce

#### Warren -

Thank you for sharing information regarding proposed changes to Metro's solid waste code at yesterday's local government solid waste directors meeting.

The City of Portland is supportive of changing the requirement that Metro fees and the regional system fee can be established by resolution:

Remove the requirement that Metro fees and the regional system fee be set by ordinance. Council can now establish these amounts by resolution and they can take effect 30 days after adoption. This avoids the need to wait 90 days for rates to take effect and allows the Metro Council to be more responsive to changing market conditions that may require modified or new rates.

However, Portland does have concerns regarding the timing of Metro Council approval of the fees. Metro fees are an important component of the solid waste ratemaking process and Portland develops rates that haulers charge customers during March and April of each year. Portland City Council needs to approve rates in May for implementation on July 1<sup>st</sup>. Therefore, the current schedule where Metro approves fees in March works very well for our rate review. Delaying provision of Metro fees until late spring would pose significant problems for our process.

Portland supports the change for Metro adopting fees by resolution and requests that Metro establish in administrative rules that notice of the new fee schedule be provided to local governments in March of each year.

Thank you and please let me know if you have any questions.

**Bruce** 

From: Warren Johnson < Warren. Johnson @oregonmetro.gov>

Sent: Friday, August 23, 2019 3:56 PM

To: Walker, Bruce <Bruce.Walker@portlandoregon.gov>

Subject: RE: Requesting your comments on proposed changes to Metro's solid waste code

Thanks for the comment Bruce. I'll include it in the record.

Warren Johnson Metro (503) 797-1836

From: Walker, Bruce [mailto:Bruce.Walker@portlandoregon.gov]

**Sent:** Friday, August 23, 2019 12:46 PM

To: Warren Johnson

Subject: RE: Requesting your comments on proposed changes to Metro's solid waste code

Warren -

Thank you for sharing information regarding proposed changes to Metro's solid waste code at yesterday's local government solid waste directors meeting.

The City of Portland is supportive of changing the requirement that Metro fees and the regional system fee can be established by resolution:

Remove the requirement that Metro fees and the regional system fee be set by ordinance. Council can now establish these amounts by resolution and they can take effect 30 days after adoption. This avoids the need to wait 90 days for rates to take effect and allows the Metro Council to be more responsive to changing market conditions that may require modified or new rates.

However, Portland does have concerns regarding the timing of Metro Council approval of the fees. Metro fees are an important component of the solid waste ratemaking process and Portland develops rates that haulers charge customers during March and April of each year. Portland City Council needs to approve rates in May for implementation on July 1<sup>st</sup>. Therefore, the current schedule where Metro approves fees in March works very well for our rate review. Delaying provision of Metro fees until late spring would pose significant problems for our process.

Portland supports the change for Metro adopting fees by resolution but requests that notice of the new fee schedule be provided in March of each year.

Thank you and please let me know if you have any questions.

### Bruce

Include The Food - Be Cart Smart

## **Bruce Walker**

City of Portland Bureau of Planning & Sustainability Solid Waste & Recycling Program Manager 1900 SW 4th Avenue, Room 7100 Portland, OR 97201 503.823.7772 (he/him)

www.portlandoregon.gov/bps

The City of Portland is committed to providing meaningful access. For accommodations, modifications, translation, interpretation or other services, please contact 503-823-7700 or use City TTY 503-823-6868.

From: Warren Johnson < Warren. Johnson@oregonmetro.gov>

Sent: Monday, August 12, 2019 11:36 AM

To: Warren Johnson < Warren. Johnson @oregonmetro.gov >

Subject: Requesting your comments on proposed changes to Metro's solid waste code

I want to make you aware of some proposed changes to Metro's solid waste code and invite you to provide Metro with your comments and feedback.

As you know, over the past few years and at the direction of the Metro Council, Metro's solid waste staff has been working to update Metro's solid waste code and administrative rules to provide greater clarity and predictability for the public and for those directly involved in our region's solid waste system. Our efforts have sought to remove unnecessary and outdated provisions, clarify terms, and enable greater flexibility for Metro to protect the public's interest and respond to sudden changes in markets for various types of materials.

In 2017 the Metro Council adopted requirements to guide the operations of material recovery and conversion technology facilities. It also made necessary housekeeping changes to terms and definitions in Metro's solid waste code. With the recent adoption of the 2030 Regional Waste Plan and the initiation of Metro's new disposal contract in January 2020, it is time to update the solid waste code again.

We have now made available on <u>Metro's website</u>, for public comment over the next five weeks, four new or revised chapters of Metro code and new administrative rules to clarity the relationship between the regional system fee and Metro's transfer station fees. Metro staff proposes the following updates to Metro's solid waste code:

- Chapter 5.00 (Solid Waste Definitions) Update current chapter to ensure that definitions conform with proposed changes to Chapters 5.02 and 5.03.
- Chapter 5.02 (Regional System Fee) Update current Chapter 5.02 and move Metro transfer station fees
  and administrative rulemaking provisions to new separate chapters (Chapters 5.03 and 5.08 respectively).
  Chapter 5.02 will continue to govern the regional system fee.
- Chapter 5.03 (Solid Waste Fees at Metro Transfer Stations) Establish a new chapter that will govern Metro's own transfer station fees.
- Chapter 5.08 (Administrative Rulemaking Authority for Title V) Establish a new chapter that will govern Metro's administrative rulemaking process for the entire solid waste code.

We are also proposing to move some provisions out of Metro code and into administrative rules to enable more flexibility for both Metro and the solid waste industry to respond to emergencies and disruptions. Those administrative rules would only be implemented, following another public comment period, if the Metro Council adopts the proposed changes to the four chapters of the Metro code described above. However, we are including the draft administrative rule language and an example of a Metro transfer station fee schedule on the Metro website so you can see how Metro proposes to implement the code amendments.

I invite you to submit written comments on any of the proposed policy changes, including preliminary comments on the draft administrative rules, between now and 5 p.m. on Friday, Sept. 13. You are also welcome to attend a meeting at which Metro staff will present more information about these proposed code changes, answer questions and solicit input. This <u>meeting</u> will be held on Monday, Sept. 9, from 1 to 3 p.m. in rooms 370A and B at Metro Regional Center (600 NE Grand Ave., Portland). Comments received at that meeting and during the public comment period will inform the final code amendments that will come before the Metro Council for its consideration later this year or in early 2020.

I look forward to receiving your comments on this matter. Thank you.

### **Warren Johnson**

From: Shannon Martin [shannon.martin@greshamoregon.gov]

Sent: Wednesday, September 11, 2019 10:07 AM

To: Warren Johnson Cc: Steve Fancher

Subject: [External sender] RE: Requesting your comments on proposed changes to Metro's solid

waste code

Categories: CODE COMMENTS

CAUTION: This email originated from an External source. Do not open links or attachments unless you know the content is safe.

Hello Warren,

Thank you for the opportunity to comment on Metro's proposed solid waste code changes. Gresham is in support of Metro adopting fees by resolution. However, it is important for local governments to receive fee changes in advance of our rate review process. Having Metro commit to providing local governments fee change information no later than March 31<sup>st</sup> is necessary for us to have in order to complete our rate review process.

Gresham Council needs to approve rates by May in order for us to notify customers 30 days in advance before a July 1<sup>st</sup> adjustment.

Thank you,

Shannon Martin

Program Manager | Recycling & Solid Waste
City of Gresham | 503-618-2624



From: Warren Johnson < Warren. Johnson@oregonmetro.gov>

**Sent:** Monday, August 12, 2019 11:36 AM

To: Warren Johnson < Warren. Johnson@oregonmetro.gov>

Subject: Requesting your comments on proposed changes to Metro's solid waste code

### **CAUTION:** External Email

I want to make you aware of some proposed changes to Metro's solid waste code and invite you to provide Metro with your comments and feedback.

As you know, over the past few years and at the direction of the Metro Council, Metro's solid waste staff has been working to update Metro's solid waste code and administrative rules to provide greater clarity and predictability for the public and for those directly involved in our region's solid waste system. Our efforts have sought to remove unnecessary and outdated provisions, clarify terms, and enable greater flexibility for Metro to protect the public's interest and respond to sudden changes in markets for various types of materials.

In 2017 the Metro Council adopted requirements to guide the operations of material recovery and conversion technology facilities. It also made necessary housekeeping changes to terms and definitions in Metro's solid waste code. With the recent adoption of the 2030 Regional Waste Plan and the initiation of Metro's new disposal contract in January 2020, it is time to update the solid waste code again.

We have now made available on <u>Metro's website</u>, for public comment over the next five weeks, four new or revised chapters of Metro code and new administrative rules to clarity the relationship between the regional system fee and Metro's transfer station fees. Metro staff proposes the following updates to Metro's solid waste code:

- Chapter 5.00 (Solid Waste Definitions) Update current chapter to ensure that definitions conform with proposed changes to Chapters 5.02 and 5.03.
- Chapter 5.02 (Regional System Fee) Update current Chapter 5.02 and move Metro transfer station fees and administrative rulemaking provisions to new separate chapters (Chapters 5.03 and 5.08 respectively). Chapter 5.02 will continue to govern the regional system fee.
- Chapter 5.03 (Solid Waste Fees at Metro Transfer Stations) Establish a new chapter that will govern Metro's own transfer station fees.
- Chapter 5.08 (Administrative Rulemaking Authority for Title V) Establish a new chapter that will govern Metro's administrative rulemaking process for the entire solid waste code.

We are also proposing to move some provisions out of Metro code and into administrative rules to enable more flexibility for both Metro and the solid waste industry to respond to emergencies and disruptions. Those administrative rules would only be implemented, following another public comment period, if the Metro Council adopts the proposed changes to the four chapters of the Metro code described above. However, we are including the draft administrative rule language and an example of a Metro transfer station fee schedule on the Metro website so you can see how Metro proposes to implement the code amendments.

I invite you to submit written comments on any of the proposed policy changes, including preliminary comments on the draft administrative rules, between now and 5 p.m. on Friday, Sept. 13. You are also welcome to attend a meeting at which Metro staff will present more information about these proposed code changes, answer questions and solicit input. This <u>meeting</u> will be held on Monday, Sept. 9, from 1 to 3 p.m. in rooms 370A and B at Metro Regional Center (600 NE Grand Ave., Portland). Comments received at that meeting and during the public comment period will inform the final code amendments that will come before the Metro Council for its consideration later this year or in early 2020.

I look forward to receiving your comments on this matter. Thank you.

### **Warren Johnson**

Interim Program Director
Solid Waste Information, Compliance, and Cleanup

Metro | oregonmetro.gov 600 NE Grand Ave. Portland, OR 97232-2736 503-797-1836

From: Theresa Koppang [Theresa Koppang@co.washington.or.us]

Sent: Wednesday, September 11, 2019 10:08 AM

To: Warren Johnson

Subject: [External sender]Metro Code Changes/Admin Rules

Categories: CODE COMMENTS

**CAUTION:** This email originated from an **External source**. Do not open links or attachments unless you know the content is safe. Hi Warren,

Thank you for sharing information regarding proposed changes to Metro's solid waste code at the last local government solid waste directors meeting. Washington County supports the changes you outlined regarding the requirement that Metro fees and the regional system fee be established by resolution.

And while the timing of Metro Council approval of the fees is not as critical to Washington County's rate-making process, it is a concern to other jurisdictions. Therefore, I'm requesting that notice of the new fee schedule be made available to local governments by March 31 of each year.

Thank you and please let me know if you have any questions.

## Theresa Koppang | Manager

Washington County Department of Health and Human Services | Solid Waste & Recycling | Code Enforcement 155 N. First Ave. MS 5A. Hillsboro OR 97124

Theresa\_koppang@co.washington.or.us

Website | Facebook | Sign Up for e-news and alerts

direct: 503-846-3663 main: 503-846-3605

From: Winterhalter, Rick [rickw@clackamas.us]
Sent: Friday, September 13, 2019 9:12 AM

To: Warren Johnson Cc: Polk, Eben

Subject: [External sender]comments on rule changes

Categories: CODE COMMENTS

CAUTION: This email originated from an External source. Do not open links or attachments unless you know the content is safe.

### Warren:

I believe you heard from Clackamas in the August 29<sup>th</sup> meeting regarding the importance of ensuring we have the disposal rate information from Metro early in our annual review process. This note is to support the comments provided by our regional partners:

• Please explicitly state in the Rules that Metro will provide the other local governments transfer station fee information no later than March 31 of each year.

Regards, Rick

Rick Winterhalter Sustainability & Solid Waste Program Clackamas County 150 Beavercreek Rd. Oregon City, OR 97045 503.742.4466

I have one share in corporate Earth, and I am nervous about the management.

-E.B. White, writer (1899-1985)

## Oregon's 2050 Vision:

Oregonians in 2050 produce and use materials responsibly conserving resources •protecting the environment •living well

From: Peter Brandom [Peter.Brandom@hillsboro-oregon.gov]

Sent: Friday, September 13, 2019 8:55 AM

To: Warren Johnson

**Cc:** Theresa Koppang (theresa\_koppang@co.washington.or.us); Walker, Bruce; Eben Polk;

Winterhalter, Rick; Kathy Folsom; Martin, Shannon (Shannon.Martin@greshamoregon.gov)

**Subject:** [External sender]RE: Requesting your comments on proposed changes to Metro's solid

waste code

Categories: CODE COMMENTS

CAUTION: This email originated from an External source. Do not open links or attachments unless you know the content is safe.

### Warren,

Below are our comments on the proposed regulatory changes, not in order of importance. Thank you for the opportunity to comment, and for the time and effort to provide clarification at the meeting this week.

- Expanding on the comment below, the revised Administrative Rules are severely deficient without either a chapter dedicated to Solid Waste Rates at Private Transfer Stations or inclusion of specific rate setting rules for private stations in the proposed chapters (5.03, AR 5.03-1000 through 1080), and any needed adjustments to other chapters, Rules or Definitions. This should include specific descriptions and justifications for all fees charged at private stations (5.02 or separate chapter with the same scope for private facilities). The lack of a chapter to regulate rate setting at facilities that are authorized by Metro to operate within the regional system presents a big void in the system, and we've seen how the private operators have taken advantage of this void. Just like cities and counties regulate collection rates of private companies operating within the system, private facilities should be regulated just like the public facilities. There should be no distinction between public and private facilities in this regard.
- Please explicitly state in the Rules that Metro will provide the other local governments transfer station fee information no later than March 31 of each year.
- Not seeing it explicitly in 5.03.060 or elsewhere, does Metro rate setting process include a review of '...all sources and uses of funds that affect the solid waste revenue fund budget..." for the prior calendar year? If not, and if that is part of the rate review process, that should be explicit. A clear and transparent picture of year-to-year budget requirements (i.e., specifically how revenues are used by Metro) has not been as apparent as it should be.
- Consider defining "Mixed Waste Loads" in 5.00 (reference in 5.02.050) to clarify meaning.
- Note existing typo in 5.03.040(c).

Thank you, Peter

Peter Brandom | Senior Project Manager
City of Hillsboro, Oregon
phone 503-681-6191
email peter.brandom@hillsboro-oregon.gov
web www.hillsboro-oregon.gov|Twitter @cityofhillsboro

From: Warren Johnson [mailto:Warren.Johnson@oregonmetro.gov]

Sent: Thursday, August 22, 2019 11:27 AM

To: Peter Brandom < Peter. Brandom@hillsboro-oregon.gov>

Subject: RE: Requesting your comments on proposed changes to Metro's solid waste code

Thanks for the comment. I'll include this in the record.

Please let me know if you have any other comments or questions about the proposed changes. Thanks again.

Warren Johnson Metro (503) 797-1836

**From:** Peter Brandom [mailto:Peter.Brandom@hillsboro-oregon.gov]

Sent: Thursday, August 22, 2019 10:51 AM

**To:** Warren Johnson

Subject: RE: Requesting your comments on proposed changes to Metro's solid waste code

We would like to see a chapter that regulates rate setting and rates at private transfer stations in the same way that rates are set at the Metro stations.

From: Warren Johnson [mailto:Warren.Johnson@oregonmetro.gov]

Sent: Monday, August 12, 2019 11:36 AM

To: Warren Johnson < Warren. Johnson @oregonmetro.gov >

Subject: Requesting your comments on proposed changes to Metro's solid waste code

I want to make you aware of some proposed changes to Metro's solid waste code and invite you to provide Metro with your comments and feedback.

As you know, over the past few years and at the direction of the Metro Council, Metro's solid waste staff has been working to update Metro's solid waste code and administrative rules to provide greater clarity and predictability for the public and for those directly involved in our region's solid waste system. Our efforts have sought to remove unnecessary and outdated provisions, clarify terms, and enable greater flexibility for Metro to protect the public's interest and respond to sudden changes in markets for various types of materials.

In 2017 the Metro Council adopted requirements to guide the operations of material recovery and conversion technology facilities. It also made necessary housekeeping changes to terms and definitions in Metro's solid waste code. With the recent adoption of the 2030 Regional Waste Plan and the initiation of Metro's new disposal contract in January 2020, it is time to update the solid waste code again.

We have now made available on <u>Metro's website</u>, for public comment over the next five weeks, four new or revised chapters of Metro code and new administrative rules to clarity the relationship between the regional system fee and Metro's transfer station fees. Metro staff proposes the following updates to Metro's solid waste code:

• Chapter 5.00 (Solid Waste Definitions) – Update current chapter to ensure that definitions conform with proposed changes to Chapters 5.02 and 5.03.

- Chapter 5.02 (Regional System Fee) Update current Chapter 5.02 and move Metro transfer station fees
  and administrative rulemaking provisions to new separate chapters (Chapters 5.03 and 5.08 respectively).
  Chapter 5.02 will continue to govern the regional system fee.
- Chapter 5.03 (Solid Waste Fees at Metro Transfer Stations) Establish a new chapter that will govern
  Metro's own transfer station fees.
- Chapter 5.08 (Administrative Rulemaking Authority for Title V) Establish a new chapter that will govern Metro's administrative rulemaking process for the entire solid waste code.

We are also proposing to move some provisions out of Metro code and into administrative rules to enable more flexibility for both Metro and the solid waste industry to respond to emergencies and disruptions. Those administrative rules would only be implemented, following another public comment period, if the Metro Council adopts the proposed changes to the four chapters of the Metro code described above. However, we are including the draft administrative rule language and an example of a Metro transfer station fee schedule on the Metro website so you can see how Metro proposes to implement the code amendments.

I invite you to submit written comments on any of the proposed policy changes, including preliminary comments on the draft administrative rules, between now and 5 p.m. on Friday, Sept. 13. You are also welcome to attend a meeting at which Metro staff will present more information about these proposed code changes, answer questions and solicit input. This <u>meeting</u> will be held on Monday, Sept. 9, from 1 to 3 p.m. in rooms 370A and B at Metro Regional Center (600 NE Grand Ave., Portland). Comments received at that meeting and during the public comment period will inform the final code amendments that will come before the Metro Council for its consideration later this year or in early 2020.

I look forward to receiving your comments on this matter. Thank you.

## **Warren Johnson**

Interim Program Director
Solid Waste Information, Compliance, and Cleanup

Metro | oregonmetro.gov 600 NE Grand Ave. Portland, OR 97232-2736 503-797-1836 September 13, 2019

Metro Council 600 NE Grand Avenue Portland, OR 97232- 2736

RE: Metro Proposed Solid Waste Code Changes

Dear Metro Councilors,

This letter represents the Clackamas County Refuse and Recycling Association (CCRRA), Portland Haulers' Association (PHA), and Washington County Haulers' Association (WCHA) comments regarding Metro's proposed solid waste code changes. As you know, CCRRA, PHA, and WCHA members provide services across the solid waste system including hauling, resource recovery & transfer, processing and landfilling for all areas of the Metro region. Members are committed to working cooperatively with their regulatory local governments to provide safe, modern, and efficient waste collection services that include garbage, recycling, and organics collection at reasonable rates.

Members very much appreciate the opportunity to review the proposed changes to Metro's solid waste code and engage in the related public process. While we understand the need for Metro staff to have independent authority and flexibility to change Metro's fees, we do have concerns. Specifically we are concerned that:

- cutting two months off the public process -- from the current 90 days to 30 days—
   provides less time and arguably less opportunity for full public input and participation and
- shortening the time may create added challenges to align Metro's fee increases so those added costs can be included as a part of the local government rate setting process.

As a result, CCRRA, PHA and WCHA ask that Metro continue to provide a required 90 day public process before adjusting Metro fees.

Members are committed to working with Metro, local governments, as well as the community at large, and share our expertise in the industry. Our coordinated efforts among state, regional, local, industry and community members contribute to Oregon's position as a national leader in recycling and waste management. We look forward to the opportunity to continue serving as a resource, imparting experience from our own challenges as large and many small, family and

women-owned companies, in navigating the business of waste management while promoting our common values advancing equity in waste management. Please don't hesitate to contact Beth Vargas Duncan at 971-707-1683 or <a href="mailto:bethyd@orra.net">bethyd@orra.net</a> with any questions.

Sincerely,

Josh Brown, President Clackamas County Refuse & Recycling Association

Vallerie Gruetter Hill, President Portland Haulers' Association

Mike Leichner, President Washington County Haulers' Association